JPRS 77944

28 April 1981

West Europe Report

No. 1740

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS 77944

28 April 1981

WEST EUROPE REPORT

No. 1740

CONTENTS

THEATER FORCES

FRANCE

Paratroop Division Called 'Most Powerful in World'
(Robert Lacontre; LE FIGARO MAGAZINE, 21 Mar 81) 1

NETHERLANDS

Ten CDA Legislators Oppose TNF Stationing
(NRC HANDELSBLAD, 25 Mar 81) 5

TERRORISM

INTERNATIONAL AFFAIRS

Wiesenthal: Neo-Nazis Use Denmark as International Center
(Poul Moller; BERLINGSKE TIDENDE, 22 Mar 81) 7

ENERGY ECONOMICS

FRANCE

Energy-National Independence Relationship Viewed
(Francois de Wissocq; DEFENSE NATIONALE, Apr 81) 8

Problems of Energy Independence, Diversification Policies
(Paul Quiles; LE MONDE, 17 Mar 81) 17

GREECE

Gas Production Plan Discussed
(ATHENS NEWS, 7 Apr 81) 20

Briefs
Libyan Crude 21

NORWAY

Professor Cites Danger of Overdependence on Oil Income
(Bjorn H. Tretvoll; AFTENPOSTEN, 16 Mar 81) 22

Oil, Energy Ministry Official Lauds Successful Conservation
(Vidar Vea; AFTENPOSTEN, 17 Mar 81) 24

ECONOMIC

CYPRUS

Finance Minister Speaks on Tax Cut Benefits
(Cyprus Mail, 31 Mar 81) 26

Growth Rate of Industrial Sector Slowed in 1979
(CYPRUS MAIL, 2 Apr 81) 29

FINLAND

Energy Costs Mainly Responsible for Five Billion Trade Deficit
(UUSI SUOMI, 28 Jan 81) 31

Industry Study Shows Country Lost Competitiveness in 1970's
(Kristiina Ritvos; HELSINGIN SANOMAT, 5 Feb 81) 35

Increased Funds for Nordic Projects Urged
(HELSINGIN SANOMAT, 5 Feb 81) 40

Trade Deficit With USSR Declined in 1980
(HELSINGIN SANOMAT, 28 Jan 81) 41

Briefs
Finland-Albania Trade Pact 43

GREECE

Cabinet Announces Improvement in Economy
(ATHENS NEWS, 7 Apr 81) 44

NORWAY

Conservatives' Kleppe Weighs Choices for Energy Economy
(John Roos; NORGES HANDELS OG SJOFARTSTIDENDE, 18 Feb 81) . 45

PORTUGAL

Summary of 1980 Economic Trends, Performance
(TEMPO, 22 Jan 81) 48

POLITICAL

CYPRUS

Battle of Political Parties Intensifies
(THE CYPRUS WEEKLY, 20-26 Mar 81) 51

Election Regulations Passed by House
(CYPRUS MAIL, 3 Apr 81) 53

DENMARK/GREENLAND

Under Home Rule, More Danes Sought for Greenland Posts
(Michael Rastrup Smith; BERLINGSKE TIDENDE, 3 Mar 81) 54

Government Commission Maps Plans for 'Socialist Society'
(BERLINGSKE TIDENDE, 10 Mar 81) 56

Olsen: Unrealistic To Leave EC in 1983
(Various sources, various dates) 57

Could Require Danish Plebiscite, Kjelf Olesen Interview
Plebiscite Without Meaning, by Johannes Bundgard
Steenholdt Warns Against Withdrawal
Greenlanders United Against EC,
by Philip Lauritzen
Party Refuses 'Neutral' Publicity
Amount of EC Funds, by Lars Th. Kjolbye

FRANCE

Constitutional Revision of Election Law Proposed
(Pierre Thibon; LE FIGARO, 25 Feb 81) 63

Colloquium on Constitutional Law, Democracy, Referendums
(Laurent Zecchini; LE MONDE, 11 Mar 81) 66

'Frere Des Homes' Criticizes Third World Aid Policies
(LE MONDE, 5, 7 Mar 81) 68

Actions in Upcoming Elections
Third World Aid

GREECE

Opposition Parties Criticized by Prime Minister
(AKROPOLIS, 19 Mar 81) 70

NETHERLANDS

Van Agt Begins Campaign, Sets Issues
(NRC HANDELSBLAD, 13 Apr 81) 80

Pacifist Socialist Party Wants Communists in Coalition
(NRC HANDELSBLAD, 9 Apr 81) 82

SPAIN

Rightist Elements blamed for Suarez Ouster, Calvo Sotelo Victory
(Cesar Alonso de los Rios; LA CALLE, 5-9 Feb 81) 83

MILITARY

FINLAND

First Finnish-Assembled Hawk Trainer Makes Maiden Flight
(UUSI SUOMI, 28 Jan 81) 85

Briefs
Change Seen for Recruits 86

GENERAL

CYPRUS

Rehabilitation of Disabled Planned
(CYPRUS MAIL, 2 Apr 81) 87

FRANCE

Data Bank Taking Shape at Foreign Affairs Ministry
(Luc Fayard; ZERO UN INFORMATIQUE HEBDO, 23 Mar 81) 89

GREECE

Relations With Arab Countries Described as Unchanged
(ATHENS NEWS, 4 Apr 81) 90

Briefs
Arab Envoys Honor Prime Minister 92
Protocol With Arabs 92

PARATROOP DIVISION CALLED 'MOST POWERFUL IN WORLD'

Paris LE FIGARO MAGAZINE in French 21 Mar 81 pp 60-66

[Article by Robert Lacontre: "The World's Most Powerful Division Is French"]

[Text] I went on maneuvers with the assault troops of the 11th Parachute Division. They can "crack" 10,000 enemy tanks in just a few hours.

The Alouette skims over the hills. The cows barely raise their heads. We leave Toulouse in sunlight. The Tarn, a thin line of dirty water, runs along our flight path. Leaving Montauban to our left, we plunge into the gorges of the restless Aveyron. One last turn on the rotor and, here we are, at Camp Caylus, halfway between Cahors and Villefranche-de-Rouergue where we are going to watch fight the 11th DP [Parachute Division], the world's most powerful parachute division with 15,000 paratroopers, half of them regulars, half draftees, all volunteers (double the number in an ordinary division), 4,000 vehicles, 70 helicopters, a terrible fire-power capable of "cracking" 10,000 enemy tanks in just a few hours and immediately going into action anywhere in the world.

General Lemaire receives us. He signed up in Paris as sapper at the age of 15. Today he is the boss of the most prestigious elite unit in France, the "Red Berets," those footsloggers of the last 300 meters, those who finish the battle on the ground, as the big Soviet marshals put it.

Soon the battle commences. The artillery thunders. The faster-than-sound Jaguar aircraft disappear on the horizon even before their rockets destroy the enemy tanks, which believe themselves to be invincible, on the ground in an infernal din. At 1,800 kilometers per hour, they can carry one tactical nuclear bomb for a distance of 1,000 kilometers. Then the Transall transport aircraft, the big workhorses of the sky, drop the assault companies, one after the other. From their tails springs a line of suspended dots which grow bigger by the second, like blossoming flowers. The moment they have hit the ground, the soldiers move off toward their objective in good order. In front of me, one of the troopers does his little rollover routine. With his knees up against his chest, he makes like a diver going off the diving board. He rises, staggers a bit and then scampers off with his 18 years to join his squad.

Now comes another wave. These are huge bouquets of heavy equipment, tons of machine-guns wrapped in camouflage tarpaulin. Like flying saucers, the Pumas skim over the

treetops and fire their rockets. These huge insects shake the vegetation. Motionless for just an instant, they discharge their cargo of paratroopers.

Night has fallen. Other helicopters arrive, jumping over terrain barriers, with all lights out. The pilot behaves as if it were daylight, with a light-intensification sight. At 4,000 meters, hidden in the clouds, other Transall aircraft pass over our heads. "Go, go, go...."

The operational jumpers plunge into the night in groups of ten. They pierce the clouds at 300 kilometers per hour with 40 kilograms of gear, their eyes riveted on their altimeters and on the small outline of the buddy who preceded them so as not to hit him. This is a vertical drop of 3,300 meters. At 700 meters, they open their parachutes and make themselves invisible and silent except a few yards away from each other. They are the men who have been given special missions, commando operations in the heart of the enemy's deployment area, marking the drop zones. The squad is now lined up in front of the "boss" who, at the age of 58, often jumps twice or three times a day with his men. "Corporal Durand, saboteur-armorer, 450 jumps, at your service, my General!" "Sergeant Dupont, sniper, 1,300 jumps, at your service, my General!" From these routine military functions springs a courage and a pride that can withstand anything.

With the United Nations

The high point of the operation has been reached and it is going to be an assault landing in the middle of the night. We can distinguish the flat bulk of the C-160 aircraft only as they are right on top of us (you cannot even hear them). They land very close, on hastily cleared strips, 150 meters long, they disgorge 80 paratroopers or 17 tons of automotive equipment, including jeeps, AML vehicles, small armored vehicles with a 90-mm gun or mortars, Lohr, a kind of military Mehari carrying 120 mm mortars (18 rounds per minute over a range of 13 kilometers) and they take off again—something which no army in the world does--in less than 3 minutes to let the next flight come in.

Valery Giscard d'Estaing recently, in the course of an exclusive interview, told our managing editor, Louis Pauwels: "France has the greatest military strength it has ever had. Strength consists in pursuing a high-level policy by clearly defining your objectives and getting yourself the proper instruments for action." The 11th DP is one of them and it is a whopper. It went into action in Mauritania, in Chad, in the Central African Republic, in Zaire, and in Lebanon with the Blue Helmets [United Nations Forces]. And 600 draftees have already served in that country under the colors of the UN. "Without the French paratroopers we have nothing," declared the general commanding the UNFIL. Without weapons and without flinching they went to Uganda in the course of a humanitarian mission, to Peru, to Martinique, Pakistan, Guadeloupe during natural disasters.

Covered With Glory

If necessary, the 11th DP will go into action tomorrow in the Gulf to protect the oil wells and it will guarantee the safety of 300,000 French living in Africa. Already, 6,000 paratroopers have been mounting guard in the friendly countries on the Dark Continent. In 1978, the 2nd Foreign Legion Parachute Regiment from Calvi, under the command of Colonel Erulin, jumped into Kolwezi to save the white and black

population from the massacre stirred up by the "Katanga gendarmes," under the command of Soviet and East German instructors. General Lemaire is also responsible for the 44th Territorial Military Division extending from the Atlantic to the Mediterranean and covering 8 percent of French territory. It is he who, next July, at Lourdes, will receive the Pope whom he considers to be one of the most courageous men of the moment. His regiments have covered themselves with glory; they are: the 1st Parachute Chasseur Regiment, stationed at Pau; the 9th RCP [Parachute Chasseur Regiment] at Toulouse under the command of Colonel de Courreges who is also in command of the Draftee Training Group at Saint-Sulpice-la-Pointe; the 1st Marine Infantry Regiment at Bayonne; the 3rd RPIMa [Marine Parachute Infantry Regiment] at Carcassonne which used to be commanded by Bigeard; the 6th RPIMa at Mont-de-Marsan; the 8th RPIMa at Castres; the 5th Assault Helicopter Regiment at Pau; the 1st Parachute Hussar Regiment (Reconnaissance); the 35th Parachute Artillery Regiment at Tarbes, the former 35th RA [Artillery Regiment] of Colonel Foch, a future marshal of France; the 17th Parachute Engineer Regiment at Montauban; the 5th GSALAT [Army Light Aviation Group] (Repair); the 14th Parachute HQ and Support Regiment at Toulouse; the Airborne Group at Albi; one HQ battalion; and the BOMAP, the Airborne Military Operations Base at Toulouse, which provides airborne logistics support for these powerful units.

General Lemaire explained to me on the blackboard in his office in Niel Palace at Toulouse, the primary missions assigned to his paratroopers. Because of the international crisis and the domestic situation in the Soviet Union, he feels that we must expect a war in Europe within 5 years; Moscow did not concentrate three-quarters of its personnel strength on the western front for nothing. It will then be necessary to block the way to 60,000 Russian tanks. But the tank battle of tomorrow will not be what it was at Smolensk. This will be a conventional war with a new look because the Russians are not interested in turning the territory and the people--whom they want to seize—"into glass" by dropping atomic bombs. The fighting will essentially be conducted in urban areas, in the streets and houses. The big breakthroughs of the last war will be much harder to achieve with current sophisticated AT weapons. We must realize that the 176 sharpshooters firing individual MILAN missile launchers can hit anything up to 3,500 meters (six rounds per man). The 11th DP furthermore has 715 ultramodern LRAC 89 rocket launchers with 12 rounds that can penetrate any armor, plus guns, mortars, grenades, mines, not to mention the new French FAMAS automatic rifle and grenade launcher with terrible precision, 5.56 caliber, which makes it possible to carry more ammunition and whose very great ballistic projectile velocity which can do much more damage than all of the other existing models. This war will also be chemical since 40 percent of the Soviet ammunition stockpiles are of that type, including asphyxiating gases, paralyzing gases, some of them causing diarrhea. They are being used in Afghanistan.

No Picnic

"We thus have a double mission," he concludes. "In Europe and overseas." The slightest delay in our training and armament could be disastrous.

The paratroopers are not infantrymen like the others. The Russians realized that quite well; they have now about eight divisions or 60,000 men; but it seems that their firepower is smaller. The Americans for the time being have only one division,

the 82nd Airborne Division, stationed at Fort Bragg, North Carolina, with 13,500 men, to whom we can add 4,500 Marines, including 250 women. Right now they are establishing a Rapid Deployment Force of 120,000 men.

I recalled the visit of the Soviet army's chief of staff to the 11th DP. He had been greatly impressed by the state of readiness of our "Red Berets." But on the other hand he seemed disappointed because we were unable to show him the places where we give the "political training courses" and the "religious training courses." Just for once, the KGB [State Security Committee] was caught in a mistake. Having said that, he jumped with Lemaire but without any great enthusiasm, while his aides remained in the "Transall" aircraft with their notebooks. Undoubtedly, the Red Army is ahead of the French Army by one very nice victory (at a price of 20 million dead of course) but it is behind by three generations in economic terms. This is why the boss of the paratroopers is quite sure when he says: "This time, a potential aggressor is not going to have a picnic here."

5058
CSO: 3100

TEN CDA LEGISLATORS OPPOSE TNF STATIONING

Rotterdam NRC HANDELSBLAD in Dutch 25 Mar 81 p 1

/Text/ The Hague, 25 March--Ten members of the left wing of the CDA /Christian Democratic Appeal/ group in the Second Chamber are considering informing the CDA Executive Committee this week that they will not be able to approve at the end of this year a possible government decision to station nuclear cruise missiles on Dutch territory. The CDA Executive Committee must make a decision about that, at the latest, by next Monday.

Therefore the position of these 10 chamber members is also important because they could withhold the necessary parliamentary majority for such a stationing decision, if a government coalition of the present type (CDA and VVD /People's Party for Freedom and Democracy/) should then govern.

The VVD group and the new liberal election platform favor a positive stationing decision, about which the Van Agt cabinet postponed its verdict for 2 years in NATO in December 1979. Possible other CDA coalition partners such as the PvdA /Labor Party/ and D'66 /Democrats '66/ oppose stationing, although D'66 has deferred that decision "under the present circumstances."

H. de Boer of the group of 10 CDA members of parliament has again written the CDA Executive Committee that he has reservations about all his party's platform sections which are incompatible with his position as an atomic pacifist. His objection will no doubt be recognized.

The situation is otherwise with Messrs Buikema, Faber, Van Houwelingen, Borgman, Beinema, Couprie, De Kwaadsteniet, J.N. Scholten (who is not directly eligible) who have just come from the ARP /Antirevolutionary Party/ and the former KVP /Catholic People's Party/ member, Dijkman, who have specific objections about the modernization of NATO nuclear weapons. They are still contemplating what form they will give to their objections. This morning the CDA Executive Committee still had only a letter from H. de Boer.

Waiting

The new CDA platform does not express itself for or against the stationing of nuclear weapons, but is willing--as the government agreed in NATO at the end of December 1979 and had approved in the chamber by a very small majority--to wait for that until the end of this year.

CDA chairman Bukman has indicated until now on the ground of the wording in his party platform that reservations of candidate members of parliament, who must send in this week, at the latest, their written agreement in one way or another (for or against stationing) accordingly can hardly be recognized as optional objections.

The group of 10 CDA members had indicated previously, namely in a letter to the NBBA /Not by Bread Alone/ working group, which left the CDA, that they were opposed to the stationing of cruise missiles.

8490
CSO: 3105/124

WIESENTHAL: NEO-NAZIS USE DENMARK AS INTERNATIONAL CENTER

Copenhagen BERLINGSKE TIDENDE in Danish 22 Mar 81 p 1

[Article by Poul Møller]

[Text] Via a post office box in Århus an international neo-nazi organization is recruiting members to advance "Adolf Hitler's race doctrine" and "to combat the Jews and their criminal actions."

The internationally known nazi-hunter Simon Wiesenthal, of Vienna, is trying to clear up the matter, and the Danish organization Veterans of the Freedom Fight has, through its chairman Svenn Seehusen, called directly upon Foreign Minister Kjeld Olesen and Minister of Justice Ole Espersen to intervene.

"It cannot be lawful for an organization with such plans to fight--indeed, to stake their lives if need be--to operate from Danish territory," Svenn Seehusen told the BERLINGSKE TIDENDE Sunday. "We have received copies from Wiesenthal of brochures dated 1980 and application blanks--the former in American, the latter in German. Those who apply for membership are to account for their Aryan ancestry for several generations and inclose photos. For over 30 years we in Denmark have cooperated with Simon Wiesenthal's organization in Vienna in the international hunt for nazi war criminals. We have only been able to turn any materials over to the authorities. We have done that now, too, but at the annual meeting today we will propose an intensified effort both to participate in an international clarification of the neo-nazis' work and to present materials on these matters to the youth of today. With very few and insignificant exceptions we have not observed any neo-nazi activity in Denmark over the years, but we are much concerned about the flare-up that seems to have taken place especially in France, with burning of synagogues and other anti-Semitic activities.

"There have also been unpleasant occurrences in West Germany. We must do everything to find out whether a neo-nazi movement is being formed. There are such dreadful prospects that unfold in connection with these incidents."

The international organization has used Post Office Box 449 in Århus as its address in its letters. Such a post office box number is protected. Nothing has come yet from any backers.

8815
CSO: 3106

ENERGY-NATIONAL INDEPENDENCE RELATIONSHIP VIEWED

Paris DEFENSE NATIONALE in French Apr 81 pp 7-20

[Article by Francois de Wissocq: "Energy and National Independence"]

[Text] In this article, Mr Francois de Wissocq, general director of energy and raw materials for the Ministry of Industry, considers the problem of our national energy independence. After describing the frail character of our resources, in spite of a major effort to provide hydroelectricity and nuclear power, he talks about the programs being implemented or which remain to be implemented in the future to achieve greater independence, which is ultimately political independence.

Energy independence represents one of the principal factors in our national independence. France's national independence is in fact not only its political or military independence. The means for the latter are required and thus as much economic independence as possible must be assured. This is a difficult problem, since in peacetime economic progress requires developing trade and thus moving away from the old concepts of autarky. There are two main ways of achieving this: through the competitiveness of our industry, i.e., its ability to export and thus to pay for our imports; through independence in our foreign sources of supply, in which energy occupies a dominant position.

How can the problem of our national energy independence be viewed at the present time?

Our energy resources are limited by geology; we therefore depend on foreign sources of supply extensively for our energy needs; the reduction of our vulnerability to oil has become a major requirement for our security and to achieve this, we must acquire greater control over our major supply networks.

I. Our Energy Resources Are Limited by Geology

France's energy vulnerability is, first of all, the result of geology: France accounts for 3 percent of world energy consumption but only 0.7 percent of world production and 0.11 percent of the planet's reserves!

The creator gave France a poor endowment of fossil fuels. Our known oil reserves do not exceed 30 million tons, whereas proven world reserves are approximately

90 to 100 billion tons (with more than half in the Middle East) and potential oil reserves, based on geological surveys and a statistical evaluation, are estimated at more than 300 billion tons. France's coal reserves are estimated at 450 million tons, as opposed to 24 billion tons in the case of the FRG and 45 billion tons in the United Kingdom, a country of comparable economic importance but clearly smaller in size than France, however. And production from the Lacq gas reserves will start to drop sometime in this decade.

On the other hand, France is relatively well endowed with other basic sources of energy: the biomass, due to the importance of its agriculture and the size of its forests (the largest mass of forests in Europe, with 14 million hectares); hydroelectricity, whose potential, considering various economic, technical and ecological limitations, is estimated at 70 TWh,* and especially uranium: our uranium reserves are estimated at 120,000 tons, or 3 percent of world reserves (or the energy equivalent of the Norwegian North Sea if uranium is used in light-water reactors; more than Saudi Arabia using fast-neutron reactors).

The structure of French energy production reflects these geological characteristics: in 1980, our production amounted to 54.6 Mtep,** with 12.9 Mtep from nuclear power, 16 Mtep from hydroelectricity, 13.3 Mtep from coal, 7.1 Mtep from natural gas, 2.3 Mtep from oil and 3 Mtep from new sources of energy (mainly wood).

The small amount and gradual depletion of our fossil fuel reserves does not allow us to hope for the massive development of their energy production, apart from still hypothetical discoveries. And our hydroelectric potential has reached the saturation stage, since there are already installations providing 61 TWh of a total amount of 70 TWh. It is therefore apparent that the only national energy sources with a significant development potential are nuclear power and new energy sources: biomass, solar energy and geothermal energy.

II. France Depends Extensively on Foreign Sources of Supply for Its Energy Needs

Despite the energy reorganization effort begun in 1974, France still has one of the lowest rates of energy independence in the Western world: in 1979, this rate was 26.1 percent, as opposed to 43.2 percent for the FRG, 18 percent for Italy, 87.9 percent for the United Kingdom, 13.4 percent for Japan and 81.7 percent for the United States. Thus together with Italy and Japan, France is one of the countries with the greatest energy vulnerability, compared with even the FRG and Anglo-Saxon countries, whose considerable oil and coal reserves place them in an extremely favorable position.

In 1980, France's situation improved considerably: with production of approximately 55 Mtep and consumption of 191 Mtep, we produced 28.5 percent of the energy which we consumed. The decline in the absolute value of our total consumption (-1.9 percent) and the beginning of the increase in the output of the nuclear power program (+4.5 Mtep) represent the two main factors in this improvement. At the present time, all nuclear power, hydroelectricity and new energy sources, two-fifths of the coal and one-third of the gas are of domestic origin, whereas oil is almost totally imported.

---

*TWh: 1 terawatt/hour = 10^{12} watts/hour = 1,000 billion watts/hour.
**Mtep: equal to 1 million tons of oil.

This foreign dependence therefore goes hand in hand with dependence on a single source of energy, oil, which is also imported. In 1980, oil still accounted for 53 percent of our energy consumption, compared with 67 percent, it is true, in 1973.

There is also a close parallel between energy independence and economic independence: the energy bill actually exacts a heavy toll from our foreign trade. It increased from 17 to nearly 50 billion francs in 1973-74 and tripled again between 1974 and 1981, rising to 150 billion francs, or a nearly 6-percent reduction of our gross domestic product (GDP). Four months of exports are now required to pay for our energy imports, as opposed to 1 month 10 years ago!

The increase in our dependence on foreign sources of energy, during the sixties, took place in a setting of international detente. From the economic standpoint, this setting was evidenced in particular by the opening of borders, the intensification of world trade and importation in general when justified by comparative international costs. In a setting of detente, the use of imported oil meant only the growing interdependence of economies; in a crisis situation, on the other hand, such interdependence becomes outright dependence.

The decade of the seventies, particularly the years following the occurrence of the first oil crisis of 1973-74, witnessed the beginning of a long effort to recover lost energy independence. But it would be unrealistic to hope for a return to a situation similar to that of the early sixties. Our energy situation's outlook is not so much that of total recovery of our energy independence as the more modest, but also more realistic, prospect of a gradual reduction of our dependence on foreign sources of energy.

III. Reduction of Our Oil Vulnerability Is a Major Requirement for Our National Security

The Central Planning Council, which met on 27 March 1980 under the chairmanship of the president of the republic, confirmed the major aims of our energy policy for the next 10 years: --moderating the increase in our energy consumption, which should rise at a rate of 40 percent less than that of our economic growth, as a result of a vigorous energy conservation policy; --diversifying our consumption of energy by using alternate sources of energy: nuclear power, coal, renewable sources of energy, as much as possible in a national context; --reducing France's oil vulnerability by prospecting for domestic sources of oil and gas, mastering oil technologies and maintaining excellent relations with other countries.

By 1990, our overall energy picture should be the following:

Oil	Coal/Gas	Nuclear Power	Renewable Sources of Energy*
30%	30%	30%	10%

Oil's share of our energy consumption by 1990 will have been reduced to less than one-third, as opposed to two-thirds in 1973; nuclear power will account for as much consumption as oil, or as much as the other fossil fuels. Our oil consumption will

*5 percent from hydroelectricity and 5 percent from new sources of energy.

be approximately 70 million tons, whereas continuation of 1973 trends would have led to oil consumption of nearly 230 million tons. Thus 160 million tons of oil must be conserved or replaced. The energy conservation policy will help to achieve this goal with savings of 60 million tons, with transfers to other energy sources in the amount of 100 million tons. And our oil consumption will drop 4 percent annually between now and 1990, despite an overall increase in our energy consumption and an even larger growth of our GDP.

This policy of reducing our dependence on oil will contribute to our national security and independence, primarily because it is dangerous to depend on an energy source dominating all sectors of our consumption, an energy source that is almost totally imported and whose reserves are held by a certain number of producing countries constituting a quasi-cartel.

Conversely, diversifying our energy consumption means diversifying imported forms of energy; it means obtaining less oil and more gas and coal from foreign sources. Thus it means diversifying our supplier countries, but also our supply network. It also means, above all, increasing the percentage of domestic energy sources: nuclear power and renewable sources of energy, which will account for 40 percent of our energy consumption by 1990, plus a small percentage of coal, oil and gas, which will raise the coverage of our energy needs through national production to more than 45 percent.

But the development of domestic energy sources will enable us to achieve this goal of energy independence only if we learn at the same time how to moderate the increase in our overall energy consumption, whose strong growth during the sixties was one of the main reasons for the increase in our dependence on foreign energy sources.

Reducing the importance of oil in our energy picture therefore means simultaneously reducing our dependence on one form of energy, on foreign sources, on a single group of countries, and on the same type of supply network.

But these aims, which are easy to state, are extremely difficult to achieve. They imply action at all levels of our major supply network, from sources up the line to the final consumer down the line.

IV. Implementation of Our Energy Policy Implies Control of Our Major Supply Network at All Levels

To achieve our goals, at the same time we need to totally diversify our foreign sources of supply and to diversify the supply network while giving preference to domestic suppliers. A higher national added value must also be incorporated into the energy production and conversion cycle, as well as making storage and distribution more secure, and moderating and redirecting final consumption.

Diversification of Our Foreign Sources of Supply

Diversification of our foreign sources of supply simultaneously requires a diversification of imported energy and supplier countries.

First, diversification of imported energy: this means increasing the percentage of coal and gas in our imports of fossil fuels.

In 1978, oil accounted for 78 percent of our energy imports (excluding uranium), natural gas 10 percent and coal 12 percent. By 1985, oil's share of our supplies will be approximately two-thirds, that of gas 20 percent and that of coal nearly 15 percent.

By 1990, our imports of coal and gas will be more or less equivalent to our imports of oil. Our foreign sources of supply will then be more secure because they will be more diversified.

Next, diversification of our supplier countries. In the case of oil, the countries of the Middle East account for more than 70 percent of our imports. Such a situation is partly explained by the size of the Middle East's reserves (more than 50 percent of world reserves) and by the preferred relations which France maintains with certain Persian Gulf countries. In the future, diversification of our oil supplies will require larger imports from the North Sea or from countries such as Mexico and Nigeria, due to the size of those countries' reserves, which warrant a larger demand on our part.

With regard to gas, we give preference to our EEC partners and to countries which are closest and whose political stability seems more assured. Our imports from the Netherlands, which represent a large percentage of our gas supplies, are fated to stagnate and then decline, in view of existing contracts. The growth of our imports has been covered by imports from countries such as the USSR, Algeria and Norway (Norwegian North Sea). In the more distant future, the change in consumption will be adjusted to resources that will have been obtained under acceptable security conditions. The use of new sources of imports, such as the Gulf of Guinea, is being considered, without totally eliminating supplementary deliveries from the aforementioned areas.

In the case of coal, diversification of our supply appears to be going well: 30 percent of our imports are from former ECSC [European Coal and Steel Community] countries and 70 percent are from other countries, whose geopolitical distribution limits the risks of a cartel being formed.

In the case of uranium, France satisfies more than half of its current needs through domestic production. The amount of our imports, which are mainly from African nations, is bound to increase, however. This warrants the geographic diversification of our suppliers, which has just begun by way of Australia and Canada.

Diversification of Supply Network

National security and independence require diversification of the supply network.

In the case of oil, the 1928 law establishing the government-delegated monopoly system* made it possible to establish first one and then two national oil groups, the CFP [French Petroleum Company] and ERAP [Petroleum Prospecting and Activities Enterprises], ELF-Aquitaine [Aquitaine Gasoline and Lubricants Company of France].

*The government has a monopoly over oil refining and distribution within national territory, which it can delegate to public or private companies by granting them distribution quotas.

France's oil supply is thus provided by two types of supply networks: the refinery subsidiaries of French groups (TOTAL [expansion unknown] and ELF) and those of large international groups.

A consequence of this diversification of supply networks is the strengthening of domestic supply networks: the limited council meeting of 6 February 1979 thus commissioned the two national oil groups to implement prospecting operations aimed at ultimately providing them with a crude oil supply equivalent to French domestic consumption. This aim was ratified by the Central Planning Council on 10 January 1980 and by the Council of Ministers on 23 January 1980.

Gas is still a source of concern, due to the structure of the supply and distribution networks. Our course of action must be concerned more with consumption, in an effort to make it more flexible.

With regard to coal, French operators must invest in profitable foreign mines in order to give preference to domestic supply networks. In this regard, the goal set by the government is to enable our operators to control production equivalent to our import needs, or control of at least 35 to 40 million tons annual production. The respective investment will represent between 20 and 25 billion francs.

Diversification of the supply network will also require a diversification of operators: the French National Coal Board, but also the national oil companies, CFP and SNEA [National ELF Aquitaine Company], as well as a certain number of public and private mining companies. In this connection, distributors that are able to develop coal trade (in particular, former coal distributors which have partly or totally become fuel distributors) will be encouraged by public authorities.

The development of our coal imports will thus be the concern of both former and new coal operators.

In the case of uranium, France is trying hard to find a balance between domestic production and foreign sources of supply. Our production was 2,600 tons in 1980. It should amount to 3,500-4,000 tons by 1985 and enough to satisfy half of our needs by 1990. France's additional supplies are provided by the operation of foreign mines in which French companies are direct stockholders and by direct purchases from French producers. And the rights acquired by a certain number of French operators exceed the basic coverage of French needs.

Incorporation of a Higher National Added Value in the Energy Production and Conversion Cycle

The quest for greater national energy independence also requires greater control, by our national operators, of the energy production and conversion network whenever possible. This goal will be illustrated by a few examples.

France has total control over the uranium enrichment cycle, due mainly to the EURODIF [European Distribution Agency] plant at Tricastin. France also controls the reprocessing cycle with the plant in The Hague.

Thus for 1 KWh [kilowatt-hour] of nuclear power costing 15 centimes (in unchanging 1990 centimes), the fuel cost is only 4 centimes, or about 25 percent, and the cost of natural uranium is only 1 centime (or 6 to 7 percent of the total price).

The French nuclear power industry is therefore an industry with a very high national added value, even if it uses imported uranium. An increase in the world price of uranium would have only a much more belated effect, due to the length of the enrichment cycle, and an even weaker effect on the price per KWh consumed in the final stage, than an increase in the price of fossil fuels.

Moreover, if we want to make the nuclear industry a 100-percent national industry, we have to conserve our uranium reserves: this is the whole point of the French program for breeder reactors, which are capable of producing as much energy with 50 to 70 times less uranium. Using breeder reactors, French uranium reserves (120,000 tons) would be greater than all of the Middle East's oil reserves.

Another example is the control of the oil-refining cycle. France's policy has always been to import crude oil rather than refined products. And it prefers to adapt its refining facilities to an unchanged supply structure rather than to purchase more lighter grades of petroleum, which correspond more to the change in final demand but which are considerably more expensive than heavy fractions.

Third example: control of the biomass conversion cycle, making possible the production of synthetic fuels that can be incorporated into petroleum fuels in variable proportions, will enable us to increase the percentage of transportation fuels of domestic origin. It is thus possible to produce methanol and higher alcohols by distillation of wood, with which our country is well endowed, in the presence of oxygen or to produce acetone-butanol by fermentation of cellulose materials contained in the biomass.

This is the whole purpose of the "Synthetic Fuels" program launched by the minister of industry on 14 January 1981.

Storage and Distribution Security

Further down the line, increasing the amount of stored energy is also a factor in our short-term security.

The EEC Council's directive of 20 May 1975 obliged member nations to maintain a minimum stored level of fossil fuels at thermal power plants to permit the continued supply of electricity for 30 days. This directive has been in effect since 1 January 1978. The fossil fuel supplies established at EDF [French Electric Company] plants satisfy the requirements of this directive.

With regard to coal products, moreover, the decree of 9 April 1980 obliges both producers and importers-dealers to have available stored reserves equivalent to at least 15 percent of the deliveries during the last coal production cycle.

Finally, in the case of each principal petroleum product (automobile and airplane gasoline, gas oil and domestic fuel oil, kerosene-type jet fuel, fuel oils), the storage requirement represents one-fourth of the amounts made available for consumption on the domestic market during the previous 12 months, or a 90-day supply.

With regard to distribution, the procedure for suspendable contracts for the supply of gas to thermal power plants and to heavy industry makes it possible to have great flexibility in controlling the network. The annual amount of contractually suspendable sales was approximately 46 TWh in 1980.

Moderation and Redirection of Final Consumption

The recovery of our energy independence also requires action at the other end of our supply network, i.e., at the level of the final consumer. There are three main aspects of this action.

Energy must first be conserved in order to moderate the increase in our overall energy consumption and thus to reduce the existing gap between production and consumption, i.e., our dependence on foreign energy sources. To do so, we must increase our conservation from 24 Mtep in 1980 to 60 Mtep by 1990, as a result of the domestic effect of world energy prices but also by observing current regulations, raising standards, technological innovation and changing the habits of consumers.

Next, our consumption must be redirected so that for each use there is a product that can replace oil and so that competition among various energy sources can have an effect at all levels. This pluralism in all uses, including uses traditionally reserved for oil, constitutes the best guarantee against a breakdown in our supply of any form of energy.

Thus in industry, the rate of electricity's penetration will be increased by two (4 percent instead of 2 percent) in this decade, compared with the 1973-80 period. Similarly, coal consumption will be increased more than 5 times.

In the residential and tertiary sectors, the use of electricity will grow 8 percent annually (as opposed to 10 percent between 1973 and 1980), the penetration of coal and geothermal energy will be possible thanks to the spread of heating systems and 5 million dwellings will be equipped with them thanks to new energy sources.

In the transportation sector, traditionally characterized by exclusive dependence on oil, the gradual substitution of synthetic fuels for petroleum fuels will make it possible to attack petroleum in what will be its last bastion.

Finally, the quest for a greater combination of our energy-consuming appliances is an essential aspect of flexibility, insofar as it permits immediate substitutions of one kind of energy with another, in the hypothetical situation of a sudden interruption in our supply or a network overload.

The best known example is that of combined gas-electric stoves. All types of dual-energy heating systems may also be mentioned: heat pumps (electricity/fuel oil), combined solar and conventional heating systems, combined fuel oil/wood heating systems ...

Multiple-fuel boilers and combined storage facilities at industrial plants are further examples of this combination of energy-consuming installations.

There is no simple answer to the problem of achieving greater national energy independence. Our main energy is our dependence on oil.

Our strategy of reducing our dependence on foreign energy sources hinges on three major goals: --conserving energy as much as possible, which means reducing our foreign oil bill as much as possible; --importing, producing and consuming several

forms of energy in order not to depend, for any use, on a single form of energy;
--and in the case of each form of energy, increasing the security of our supply, conversion and distribution networks.

We have available a whole range of resources to implement this strategy. In the case of energy conservation, these resources are action through pricing, regulation and raising the consumer's awareness.

Our basic solution for diversifying our energy consumption is technology, nuclear power, coal power or new sources of energy, as well as investment in profitable foreign mines, in production plants and in reorganizing our assortment of energy-consuming appliances.

To increase the security of each of our major energy networks, our resources lie in the selection of supplier countries, of major supply networks, in increasing secure energy supplies and in the flexibility of our distribution and energy consumption structure.

Our entire energy reorganization effort will therefore contribute to our national independence. And being less dependent on our foreign sources of supply means achieving greater freedom in conducting our policies.

11915
CSO: 3100

PROBLEMS OF ENERGY INDEPENDENCE, DIVERSIFICATION POLICIES

Paris LE MONDE in French 17 Mar 81 p 2

[Article by Paul Quiles, PS Deputy and National Secretary: "A Mythical Independence"]

[Text] Thus in the opinion of Mr Giscard d'Estaing, his energy policy would be "a great asset for France," one of the achievements of his 7-year term. The repetition of this claim in the many presidential speeches is not enough to make it true.

Let us try to clear up some of the confusion surrounding these remarks and to examine more closely what this "great asset for France" involves:

Energy independence? From 50-percent independence in 1965, it has dropped to 25 percent 8 years later as a result of the all-petroleum policy. Thanks to Mr Giscard d'Estaing's efforts, our independence has increased to 27 percent 7 years after the increase in the price of oil.

Diversification of our oil supplies? In 1973, our two main suppliers, Saudi Arabia and Iraq, covered 50 percent of our needs. In 1979, they satisfied 70 percent of them.

Exploitation of our national resources? Coal production has dropped from 30 million tons in 1973 to 19 million tons in 1980. Only six geothermal projects are in operation. As for the development of solar energy, it continues to be a topic of discussion: whereas the goal was to install 20,000 solar water heaters by 1980, only a few hundred will have been installed.

Energy conservation? The conservation achieved has largely been due to the increase in prices. Thus in 1980 alone, the price of heating fuel rose 50 percent and for the last 5 years France has led other European countries in increases in the price of electricity. If that has forced private individuals to reduce their energy consumption, the same is not true of the industrial sector, in which the most profitable investments have yet to be made. How can anyone also fail to note that the energy conservation plan for public buildings was implemented only in October 1980, when this is a sector with an influential role and in which public authorities could have acted quickly?

The achievement of which Mr Giscard d'Estaing boasts is thus reduced to the massive nuclear program which France has launched. Begun in early 1974, this program has absorbed more than 70 percent of the Seventh Plan's investment expenditures for energy and provided 8 percent of our consumption in 1980. Its implementation,

which has become the sole purpose of the energy policy, has swept aside any other considerations. Safety has become secondary, as evidenced by the resignation of Mr Servant, the official in charge of nuclear safety. As for candidate Giscard's promises in 1974, who announced that "power plants would not be forced on communities that rejected them," how distant they are! For example, we can imagine what the residents of Plogoff and Golfech think of them ...

But there is something more serious: this famous "nuclear independence" promised to us is actually a hoax. It must be understood that by 1990 we will have too much electricity available and that this energy will not be available when the French people will need it, for electricity cannot be stored. The plant which Mr Giscard d'Estaing mentioned on television the other night will pay less for its electricity on warm summer nights, but it must also be noted that this electricity will be six times more expensive on winter weekdays!

The Pillage of African Raw Materials

That is probably one of the reasons for Mrs Pelletier's proposal, aimed at authorizing employers to develop shift work for women. The round-the-clock work will actually make it possible to increase the consumption of electricity during "slack" hours (nights, weekends ...) and will make nuclear power profitable. While they are talking about improving working conditions and the status of women, we see the absurdity to which the all-electric, all-nuclear policy leads: it is no longer the choices of society that determine energy choices, but the other way around!

Another hoax: in the opinion of the experts themselves of the Eighth Plan's energy commission, by 1990 the nuclear program underway should require imported uranium equivalent to 70 percent of our needs. France's so-called independence is based on the pillage of African raw materials. Who can tell today what tensions there will be in 10 years in a uranium market on which we will be highly dependent?

Contrary to government propaganda, according to which there is only one energy policy, the one that has been followed for 7 years, the socialists have shown that it was possible to follow another path:*

By developing an energy conservation policy and using energy rationally through stimulating investments in industry and housing. This policy, which is favorable to local initiatives and a source of many jobs, will reduce the expenses of consumers and will protect the environment.

By diversifying our sources of energy and by developing all national resources (coal, hydroelectricity, new energy sources), permitting a significant reduction of the nuclear program underway.

This policy, which would make it possible to reduce considerably oil and gas imports, should be the subject of a major national debate. After being properly informed,

---

*"Energie: L'autre Politique" [Energy: The Other Policy], published by the Socialist Book Club, 10 Rue de Solferino, 75007 Paris.

the French people could then choose, beyond the distortions and oversimplifications in which an attempt is being made to shroud this debate, which is essential to our future.

11915
CSO: 3100

GAS PRODUCTION PLAN DISCUSSED

Athens ATHENS NEWS in English 7 Apr 81 p 2

[Text] At a meeting which took place yesterday, presided over by the Prime Minister, closing the DEFA Factory on Piraeos Street and production of gas at the State distillery plant was discussed.

The Prime Minister gave the order for bids to be sought to supply equipment required. The gas will be offered to DEFA (Athens Public Gas Enterprise) at a price to be agreed by a committee from both sides.

The government has awarded 180,000,000 drachmae to DEFA from the budget to modernize its distribution network.

In this way pollution of the environment should be reduced in Africa because the gas will replace the use of mazout in many industries and in central heating. This was confirmed in a special report which has been prepared by the Greek Technical Chamber of Commerce.

Finally, it was decided that installation of the gas network will become obligatory in all new buildings in the area of the capital, and the whole of Attica.

CSO: 4920

BRIEFS

LIBYAN CRUDE--Greek tankers are once again loading in Libya, as oil shipments from that country have definitely resumed, press sources reported yesterday. According to the sources, Libya has agreed to additional shipments over its current obligations to make up for the amount lost during the two-week delay in oil shipments. It is expected that Libya will have covered the amount by the end of May. [Text] [Athens ATHENS NEWS in English 7 Apr 81 p 1]

CSO: 4920

PROFESSOR CITES DANGER OF OVERDEPENDENCE ON OIL INCOME

Oslo AFTENPOSTEN in Norwegian 16 Mar 81 p 27

[Article by Bjorn H. Tretvoll]

[Text] "So far we have not come close to using up our oil income. The profits we have made as a result of the rising oil prices in recent years are considerably greater than the oil income that has been used in the Norwegian economy. The problem, however, is that we have used that oil money to give ourselves the most stagnant productivity in history." This was stated by Professor Victor D. Norman of the Norwegian Institute of Commerce at a seminar Saturday arranged by the Norwegian Employers' Association.

Assuming total reserves located south of the 62nd parallel at 5 billion tons of oil equivalent and an average price for this oil and gas at $35 per barrel, with an average production cost of $18 per barrel, Norman estimated the total net value of the Norwegian oil fortune at over 3 trillion kroner. Thus, oil comprises about 75 percent of our remaining national assets.

Norman stated that it would be very risky to let so large a portion of our national assets be dependent on the price of oil. He said that this risk could be reduced in several ways, e.g., by selling shares of the oil reserves as they are or by rapidly recovering oil that has been located and making investments with what is not used in the Norwegian economy.

"As long as we do not use more than what could be considered a reasonable interest on this fortune, then this may be considered cautious use," said Norman, who believed that a reasonable real return would be 4 to 5 percent. In this way, we could allow ourselves to use 120 to 150 billion kroner per year without cutting into our capital. In 1981 state tax income from the oil sector is expected to be about 30 billion kroner.

Increased domestic use of oil money would lead to a labor shortage. This should come primarily from those sectors with the lowest productivity, but we should also take a closer look at many sectors that are now artificially protected from foreign competition and decide whether or not goods and services from such sectors can be purchased from abroad, Norman said. But we must recognize that industry must be heard from, and we must discuss how rapidly such a conversion should occur.

Administrative director Trond R. Reinertsen warned against Norman's way of thinking. Reinertsen's point of view was that since we have the means at our disposal, they should absolutely be used in Norway. We now have a rate of increase in our consumption that is so high that by 1985 to 1990 the oil income will not be large enough to cover it, unless there is a sharp increase in the real price of oil.

So far, we have used the oil income without wanting to accept the consequences of this use in the form of changes in industry. These structural changes have been resisted by granting large sums of money in subsidies. Thus, since this seems to be our policy, we must take responsibility for the consequences and hold down oil income in order not to tempt the politicians, Reinertsen said. He also warned against basing economic policies on the expectation of a continued growth in the real price of oil.

If in the years to come there is to be an increase in consumption at such a rate that we will not actually use more oil money in Norway than we do today, then the increase in consumption we have experienced so far must be dampened greatly. Sufficient dampening of consumption will require, for example, an increase in the value added tax of about 5 percent. Such changes, however, are quite improbable in our political environment, said Reinertsen, who assumed that we would instead experience a new increase in our foreign debt in the years to come.

Professor Johan Lybeck from the University of Gothenburg pointed to an increased rate of exchange for the Norwegian krone as a good way to take out the oil income. This would help dampen inflation and the effects of the income would be spread out more evenly throughout the entire economy of Norway.

Norman said that if we are really worried about inflation and want to fight it, we cannot avoid an increase in the exchange rate of the Norwegian krone. This is something we should have looked at more closely earlier, he said.

Lybeck believed that the predictions of a drop in Norway's total available real income of 0.5 percent from 1980 to 1981 are too optimistic, among other things because international trends will be much less favorable than assumed.

9336
CSO: 3108/96

OIL, ENERGY MINISTRY OFFICIAL LAUDS SUCCESSFUL CONSERVATION

Oslo AFTENPOSTEN in Norwegian 17 Mar 81 p 35

[Article by Vidar Vea]

> [Text] Previously, the main objective of the building codes has been to assure construction of safe and sanitary buildings. Today, energy conservation has become an additional important factor. About 23 percent of the country's total energy consumption goes toward heating homes and other buildings. For this reason, savings in this area could be of great significance. This is part of the reason why new insulation codes came into effect at the beginning of the year. A number of good results have already been noted in the area of energy conservation, the leader of the Oil and Energy Department's ENOK (energy conservation) campaign, Tore Knudsen, pointed out at an information session for the construction industry.

There has been some uncertainty as to the consequences of the new codes and how the new requirements are to be met. Therefore, under the auspices of Elkem-Rockwool, a number of courses have been arranged throughout the country to give people in the construction industry and the average house builder a more clear picture of the situation.

ENOK leader Tore Knudsen pointed out in his speech that the building codes had previously been changed as new construction methods and building materials had appeared on the scene. Today it is more a question of conservation and energy resources.

"The revision of the insulation codes, which began on 1 January of this year, will take full effect on 1 January 1983. The energy conservation requirements have been raised with respect to both insulation and weathertightness. The requirements are calculated on the basis of what it would cost to produce electric power in the years to come, a concept that is in accordance with the intentions of the energy report.

It should be pointed out that the codes make only minimum requirements, Knudsen stressed and stated that in the event of sharp price increases, additional insulation could be profitable.

"In developing the codes, we have sought the point of intersection between investments in insulation and expenditures for heating in such a way that both construction and operation of homes and business buildings will be as economical as possible.

The new insulation requirements are now the same for the entire country, while previously four temperature zones were used. In addition, the requirements for weathertightness have now been quantified with measureable numbers, which had not previously been the case. For normal structures, the insulation thickness in walls be 15 cm and 20 cm in ceilings, in addition to three panes of glass for insulation in windows. Elkem-Rockwool points out that in the future it will be economically justifiable to have 30 cm of A-type insulation in ceilings, 20 cm in walls and floors, and 3 panes of glass for insulation in windows in small houses. This is based on present energy prices and an increase in price rises for energy of 3 percent above the consumer price index.

9336
CSO: 3108/107

FINANCE MINISTER SPEAKS ON TAX CUT BENEFITS

Nicosia CYPRUS MAIL in English 31 Mar 81 p 1

[Text] The benefits from tax concessions will be much greater than the problems likely to result from the loss of revenue to the budget if the wage claims are confined within the limits of the country's economic endurance, Finance Minister Mr Afxentis Afxentiou said yesterday.

The Finance Minister was speaking at a press conference to give a more detailed analysis of the aims and objectives of the tax revisions and concessions Bill which has already been tabled in the House of Representatives.

It has been estimated that the tax revision will mean a loss of revenue of £8.5 million and the Minister was asked how the government intended to compensate itself for this loss.

The matter, the Minister replied, should not be viewed as a static affair. "What we must see is how these £8.5 million will be utilised, whether they will be used for savings or for consumption.

"If this leads to the confinement of wage claims in 1981 to within the potentials of the economy, then the benefit that will result will be far greater than the problems which the revenue reduction will cause", the Minister said.

Mr Afxentiou noted that both the trade unions and employers organisations have subscribed to the declaration that they will take into serious consideration the tax concessions in the submission of the demands, by the workers, and their treatment, by the employers.

"If the organisations kept such a positive stand, as they have declared, the tax reliefs far from leading to intensification of inflationary pressures--as would seem likely on the face of it--would have beneficial results by helping the effort of maintaining a high level of employment in conditions of monetary stability", the Minister said.

Stagflation

The government, he explained, having in mind the recently appearing phenomenon of "stagflation" (accelerated inflation with international recession) has made a radical revision of the situation and has proposed the measures contained in the Bill before the House.

He gave nine principal objectives of the measures:

1) Promotion of new investments in desired sectors especially in the manufacturing field, so as to increase employment opportunities in a sector which has shown signs of depression of late.

2) Help industrial units replace absolute capital equipment with new technologically advanced machinery.

3) Increase local savings which now fund only 50 per cent of the gross fixed investments which are now made heavily dependent on foreign sources.

4) Help exports which are facing serious problems on account of loss of their competitive edge particularly on account of higher labour costs whilst other countries are providing generous incentives, including subsidies.

5) The increase and improvement of the structure of local production with a view to increasing living standards.

6) The increase of the size of productive units, especially where small units lead to uneconomic operation with resultant effects on the competitiveness of the Cypriot products.

7) Formation of public companies, thus helping the organisational structure and providing more involvement of the people in ownership of resources and of the resultant profits.

8) Encouring financing of investments with own funds. [as published]

9) Attraction of foreign capital in fields where the country's interests are not affected.

Mr Afxentiou explained that the Commissioner of Income Tax will lay down rules about the accounting information needed for entitlement to such incentives.

More than once Mr Afxentiou stressed that in wage claims care should be taken to see that they are within the productivity growth.

The Minister did not think the unemployment level at 2.5 per cent should cause concern. The increase from 2 to 2.5 per cent is "very marginal", he said.

He also explained that the loss of £8.5 million in revenue in 1981 is based on the 1980 figures and, because of increased revenue, part of it will be recovered.

Moreover, more drastic measures to prevent tax-evasion will be taken, he said and explained that tax-evasion was a world-wide phenomenon.

Also, he explained that church income from business operations is taxed and also church property is now subjected to taxation.

About co-operatives, Mr Afxentiou estimated that government aid so far reached £19 to £20 million and he reaffirmed government policy to support the co-operative movement.

Finally, Mr Afxentiou said the Cyprus economy has sound foundations and the problems being faced are experienced in the economies of other countries regardless of their economic system. "But with the co-operation and understanding of all concerned I am sure we shall manage to meet the problems successfully", he said.

Mr Afxentiou said any flight of local capital is not due to lack of confidence in the Cyprus economy but to other reasons.

CSO: 4920

GROWTH RATE OF INDUSTRIAL SECTOR SLOWED IN 1979

Nicosia CYPRUS MAIL in English 2 Apr 81 p 1

[Text] Manufacturing maintained its position as the leading sector in the economy, according to the industrial production survey for 1979, compiled by the Statistics and Research Department.

The survey covers mining, quarrying, manufacturing, electricity, gas and water supply.

It shows that the industrial sector recorded an overall increase in employment, output and capital formation during 1979 but the rate of increase was lower than in the previous three years.

Employment overall for the sector rose to 41,522 persons (compared to 40,170 in 1978) of which 1,781 were engaging in the mining and quarrying, 38,330 in the manufacturing and 1,411 in the electricity, gas and water sections.

Downward

Gross output rose to £341.4 m. in 1979 (compared with £275.7 m. in 1978). Mining and quarrying contributed £16.5 (4.8%) manufacturing £303.6m. (88.9%) and electricty, gas and water £21.3 m. 6.3%). [as published]

Mining and quarrying continues its downward trend due to the continued decline attributable to the shrinking of metal mining.

Manufacturing maintained its position as the leading sector of the economy with a contribution to the GDP (Gross Domestic Product) at current factor cost rising from £85.4 m. in 1978 to £102.0 m. in 1979 (an increase of 19.4%). Its relative share was 17.9% compared to 18.5% in 1978 but at constant prices its share remained at about 16%.

Employment at 38,330 persons in the manufacturing sector (compared to 36,795 in 1978) meant its share in total employment remained at about 22 per cent.

Foreign demand continued to be an important factor in the growth of the manufacturing sector, it is explained.

Industrial exports increased from £69.9 m. in 1978 to £86.3 m. in 1979 and consisted chiefly of clothing, (£22.0 m.) cement (£10.3 m), beverages (£8.7 m),

tobacco (£5.8 m) paper products (£5.2 m.) leather goods (£4.9 m) and metal products (£3.3 m.).

EEC Countries

Arab countries absorbed the largest proporton of these exports, mainly of cement, clothing, footwear, tobacco and other products, followed by EEC countries with exports of clothing, beverages and leather products. [as published]

Electricity gross output at current prices rose to £ 21.9 m. from £17.0 m in 1978 (an increase of 25.5%).

Electricity consumption increased by 7.8 per cent (to 681.8 m. kWh 632.2 m kWh) and for the first time since the invasion in 1974 the overall billed sales have exceeded the 1973 level of sales an increase of 4.6 per cent).

The highest increase was recorded in commercial consumption (14.5%) followed by domestic (7.6%) and industrial (4.3%).

CSO: 4920

ENERGY COSTS MAINLY RESPONSIBLE FOR FIVE BILLION TRADE DEFICIT

Helsinki UUSI SUOMI in Finnish 28 Jan 81 p 17

[Article: "Balance of Trade Deficit 5.4 Billion: Energy Bill Rose by 5 Billion"]

[Text] Last year the balance of trade had a deficit of 5.4 billion marks. The deficit was mainly generated by a rise in the cost of imported energy and by a growth in the import of investment and consumer goods, it was observed in the report of the Customs Bureau.

Although the deficit in marks was larger than in 1975, the deficit as a share of exports was clearly smaller than it was from 1973 to 1976.

More than half of last year's deficit came during the third quarter of the year. Trade at the end of the year was more balanced, and the last two months of the year produced a surplus.

Trade Relationship Weakened by 5 Percent

The foreign trade relationship last year was almost 5 percent lower than in the previous year. Western trade remained at about the same level, but the trade relationship with the East clearly weakened. The trade relationship has weakened every year since 1975, altogether about 15 percent.

The growth of import prices last year was strongest in the first quarter, after which the rise was again slow.

The rise in import prices last year was 17 percent, and export prices rose by 11 percent.

The volume of import grew by 13 percent and of export by 9 percent. The volume of import surpassed the peak of 1974-1975 by 12 percent.

The value of imports last year was 58.2 billion marks and of exports 52.8 billion. The value of imports grew by 32 percent and of exports by 22 percent. The rate of growth slowed down somewhat as compared with the previous year.

Energy had to be Paid for Again

The value of crude oil, fuels, electricity, and other items counted as energy was 16.6 billion marks last year. That is about 5 billion marks greater than the previous year.

The growth was caused by a rise in prices, because the volume of energy imports was at about the level of last year.

For example, only about one percent more crude oil was imported last year than the year before, but the price of those imports jumped by 56 percent to 11.6 billion marks, because of the significant rise in prices.

The share of energy imports in total imports was 28 percent last year, after having been 26 percent the previous year.

The import of investment goods strengthened during last year: the value grew by 40 percent and the volume by 31 percent.

Consumer goods with a value 21 percent greater than the previous year were imported. The growth was mostly quantitative, since prices rose only four percent.

Forest Industry's Share in Export 44 Percent

The value of exports grew in all areas of industry. The growth in the chemical industry was strongest. The value of exports in the forest industry grew a little faster than total exports. But the growth in exports of the forest industry remained clearly less than that of some other industries.

The value of forest industry exports was altogether 23.5 billion marks, and its share of total exports was 44 percent. The last time its share was this large was at the beginning of the 1970's. Forest industry exports grew in value by 23 percent, or a little slower than in the previous year. The volume of forestry industry exports grew by 7 percent and the prices rose by 15 percent.

The value of chemical industry exports rose by 58 percent; export of products from oil grew most strongly.

The value of exports in the textile, clothing, and leather industries grew by over one-fourth, and of shoes by 46 percent.

The value of exports in the food, beverage, and tobacco industries rose by a third. The value of exports of fur skins declined, due to a fall in the prices of skins.

Fastest Growth in CEMA Trade

Exports increased last year most rapidly to developing and CEMA countries. Exports to developing countries were 43 percent above the previous year and to

CEMA countries 49 percent. Exports to EFTA countries grew by 18 percent and to EEC countries by 14 percent. The share of EFTA and EEC in total exports is still most significant, constituting 62 percent altogether, whereas CEMA's share is 20 percent.

Soviet Union the Largest Country for Exports

The Soviet Union became the largest country for exports last year, with a share of almost 18 percent. Exports to the Soviet Union grew by 55 percent, having decreased the year before.

The Soviet Union is also the largest single country for imports; its share of total imports rose to 21 percent. Imports from the Soviet Union grew by 42 percent.

The largest deficit in balance of trade with a single country is also with the Soviet Union: 2.9 billion [marks].

"The payment situation in our Soviet trade was still better than our general level of trade," observed director Jorma Uitto in commenting on the statistics.

The second largest deficit, about 2.6 billion, was in trade with Saudi Arabia.

Finnish trade with the U.S. and Japan has developed in an unfavorable direction. Imports from both have grown by over 50 percent, but exports have at the same time clearly decreased. So trade with these two countries had a deficit of over 3 billion marks altogether last year.

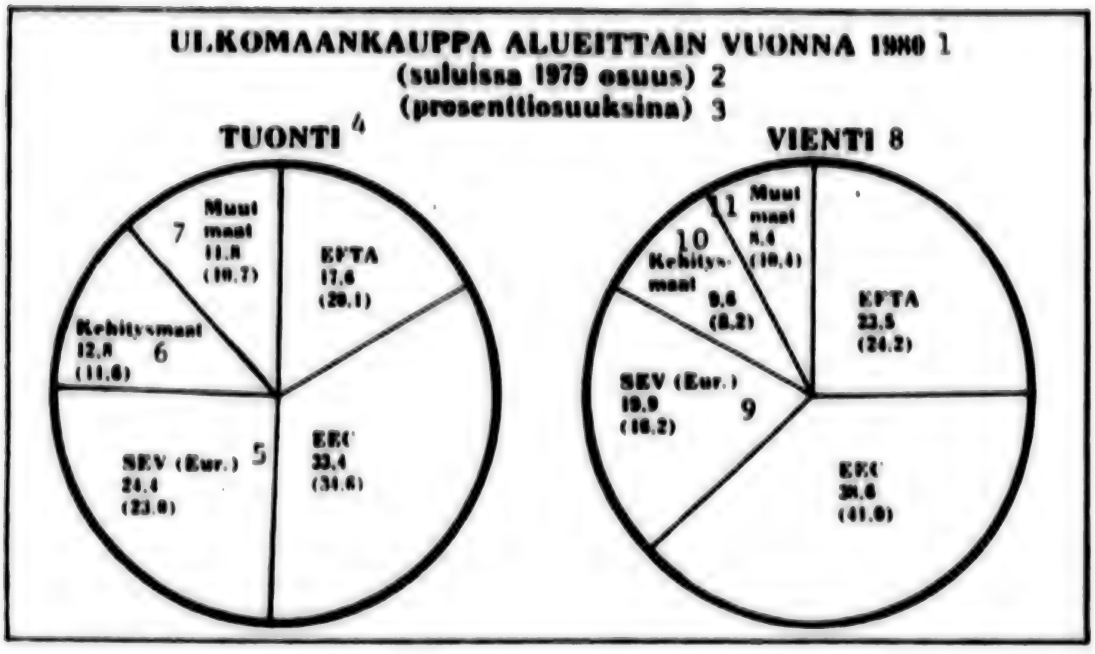
After the Soviet Union, Finland's largest export countries are Sweden, which was the largest in the previous year, with a share of 17 percent; Great Britain, 11 percent; Federal Republic of Germany, 11 percent; France, 5 percent; Netherlands and Norway, 4 percent each.

Exports to Sweden grew by 25 percent, but exports to Norway and the U.S., for example, decreased.

The growth in value of imports was also greater for CEMA countries and developing countries. The value of imports from CEMA countries grew by 39 percent and from developing countries by 43 percent. The biggest reason for the rapid growth in imports from these countries was the rise in the value of crude oil imports.

After the Soviet Union as countries for import come the Federal Republic of Germany with a 13 percent share; Sweden, 12 percent; Great Britain, 9 percent; and the U.S., 6 percent.

The greatest relative growth in imports last year was with Saudi Arabia, which more than doubled in value compared with the previous year.



KEY:

1. Foreign trade by areas in 1980
2. (1979 shares in parentheses)
3. (as percentage shares)
4. Import
5. CEMA (Europe) 24.4 (23.0)
6. Developing countries 12.8 (11.6)
7. Other countries 11.8 (10.7)
8. Export
9. CEMA (Europe) 19.9 (16.2)
10. Developing countries 9.6 (8.2)
11. Other countries 8.4 (10.4)

9611
CSO: 3107/54

INDUSTRY STUDY SHOWS COUNTRY LOST COMPETITIVENESS IN 1970'S

Helsinki HELSINGIN SANOMAT in Finnish 5 Feb 81 p 25

[Article by Kristiina Ritvos: "Finnish Success in Western Markets Studied: Losses in Export Shares"]

[Text] Finnish exports in western markets have done well in recent years, but throughout the 1970's we have lost one-tenth of our share.

Losses in shares of the market have been concentrated almost exclusively in forest industry exports. The other most important export products have gained markets.

The reasons for the losses have also been studied. We are selling the "wrong" products, that is, those for which demand is growing slowly. In addition we are selling to the "wrong" countries, that is, those whose economy is in poor condition and whose imports are growing slowly.

In these declining areas of the market we have, however, survived and even gained ground from others.

Such conclusions can be drawn from the broad study made by the Central Industrial Union, measuring Finnish export losses in the 13 western industrial countries most important to us.

The study by researcher Heikki Tulokas was a continuation of the former charting of exports in the 1960's done by Tuomas Sukselainen for the Bank of Finland. Values of imports and exports in dollars are compared in the study.

The base year 1970 was an exceptionally good year for exports, and the market shares achieved in that year were not attained again even once throughout the 1970's.

Base Quotations in 1975 and 1976

Finnish export success was especially alarming during the beginning of the 1970's. Base quotations were made in 1975 and 1976, when one-fifth of the market share had been lost.

Exports have done well during some recent years. Export to the west has grown in value by 20 percent in 1 year. Nevertheless, we have not been able to win back lost markets.

The markets that have been lost are almost exclusively those of our main export area, the forest industry. Within that, the most highly processed branch, paper exports, has just about kept its share of the market during the 1970's.

On the other hand, exporters of cellulose and wood products have lost some of their share, even though they have been able to win back a little during the most recent years. The market shares of wood processing products have fallen sharply, especially in England.

Market shares have been gained, on the other hand, in almost all other of the most important export areas during the 1970's.

Textiles and Clothing Have Kept Up

Among these are basic metal industry and metal products.

Textiles, clothing, leather, furs, and shoes gained markets already in the 1960's, but to the surprise of many, they were also able to maintain them in the 1970's. Markets have been gained, especially in Sweden, but also in the other Scandinavian countries.

Also, the chemical industry has clearly gained additional markets during the 1970's.

Among the various countries, Finland has succeeded best with the Scandinavian countries. With the exception of Japan, ground has been lost in all other countries studied.

The year before last, Finnish exports made up 6.5 percent of Sweden's total import from western markets. In Norway the corresponding share was 5.7 percent, in Denmark 3.8 percent, and in England 1.6 percent.

In other western countries, our share of the market remains less than one percent.

"Structurally Corrected" Exports Have Gained Markets

An altogether different picture of Finland's export losses is obtained if we look at how we have done in the present countries and products of export.

The graph of market shares rises sharply during recent years and ends showing a dramatic growth in the 1970's.

This so-called structurally corrected curve does show significant gains in market shares by Finland's export industry during the past two decades. But these gains have not been enought to offset the influences that have retarded growth in the areas and products of export.

Sweden Has Lost More Than We

The charts prepared by the Central Industrial Union do not yet tell who has done better than others. One can guess that at least Japan and the FRG have done well. Similarly the industrialized developing countries have gained markets at least in clothing, textiles, and shoes; perhaps in ships also.

On the other hand, Sweden estimates it has lost even more Western markets than we have. One-fifth of its shares before the first oil crisis have been lost. Also Norway's traditional exports have probably lost about the same amount of their share in the West during the 1970's.

The share of the 13 countries studied in Finland's exports has remained about the same, just under 70 percent, during the whole past decade.

To Finland's misfortune, our most important export countries in the West have been those whose economic development has been compromised. This has happened in England and, within Scandinavia, especially in Sweden, whose development has remained weaker than generally in Western countries.

Share of World Trade Has Declined

On the other hand, for example, the economies and exports of Japan and France have grown strongly. This has not affected Finland's exports, because our trade with these countries is small.

Finland's success has also been retarded by the fact that the goods we export have not been goods of rapid growth. Demand for Finland's export products overall has grown slower during the 1970's than world trade in general. Thus Finland's share of world trade has declined somewhat.

Demand for clothing, shoes, ships, vehicles, and chemical industry products have grown most rapidly in Western markets. Demand has grown at a slower than normal rate for wood products, for products of basic metals, and for some machine industries.

Of course oil imports have grown sharply during the 1970's, when measured by prices. However, Finland had lost some of its market share during the early 1970's, when oil had scarcely any effect. At the end of the decade, when oil's effect was more noticeable, Finland regained some markets.

In addition, all 13 of the Western countries studied are oil importers.

Finland's exports differ generally from the exports of industrialized countries. Our selection of products is narrow, and we sell much raw materials and semi-finished goods, such as products of the forest and basic metal industries.

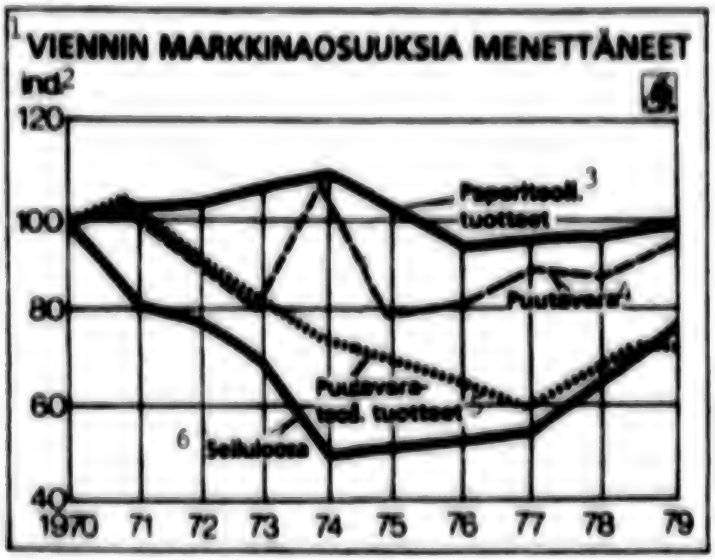
This has increased our national economy's sensitivity to changes in market conditions, and peaks and valleys have become steeper.

Finnish exporters can find comfort, however, in the fact that our export products are probably going to increase safely, in spite of their slow rate of success.

Similarly, our most important export countries are old, familiar markets, to which we know how to sell.

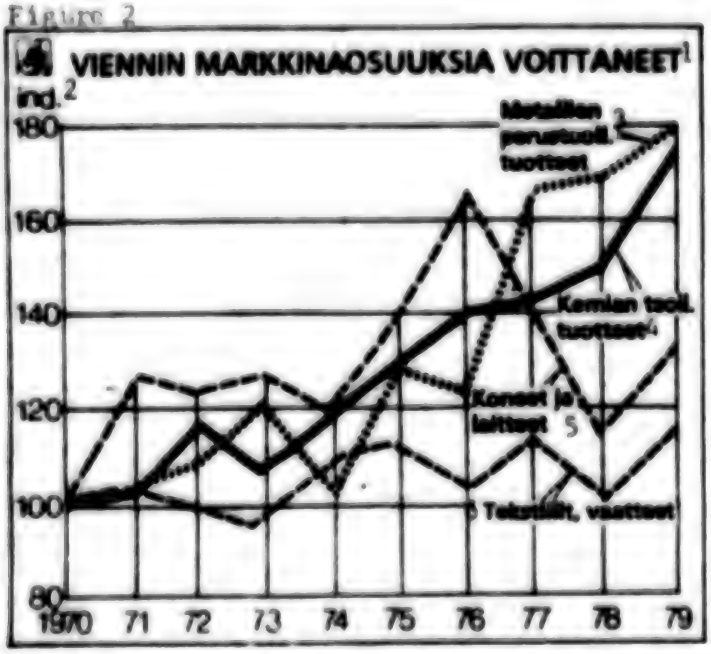
Of course the report of the Central Industrial Union hints that we should now enter new markets and [sell] new products. In the opinion of economic experts, however, we should not try both at the same time.

Figure 1



KEY:
1. Export market shares have been lost by:
2. Index
3. Paper-industry products
4. Woods goods
5. Wood-industry products
6. Cellulose

Figure 2



KEY: 1. Export market shares have been gained by:
2. Index
3. Products of basic metal industries
4. Chemical-industry products
5. Machinery and equipment
6. Textiles, clothing

Figure 1

KEY: 1. Development of market shares of export to Western countries
2. Index 1960 = 100
3. Index
4. Growth of exports less structurally corrected growth of imports
5. Growth of exports less growth of imports

The bottom curve measures how Finland's exports have been able to keep their share of the total imports of the western markets. The top curve tells how we have done in those countries and products that we now export.

9611
CSO: 3107/54

INCREASED FUNDS FOR NORDIC PROJECTS URGED

Helsinki HELSINGIN SANOMAT in Finnish 5 Feb 81 p 25

[Article: "Director Yrjo Pessi of Kemira: The State Should Help Finance Project Exports"]

[Text] Director Yrjo Pessi of Kemila hoped for government financial aid in bidding on project exports last Wednesday, speaking in the general studies lecture series at the Helsinki Business College. Pessi emphasized that financial arrangements often determine who wins a bidding competition.

"If the government would give financing in the bidding process on the condition that if the bid is accepted the enterprise would repay the money, it would put life into bidding activity and would clearly lead to a growth in project exports," said Pessi.

In Pessi's opinion, the proposal to create a joint Scandinavian project-export fund and a separate project-export system is good for many reasons.

"The development of financing systems of this kind would be excellent background work for developing enterprise project exports," he said. The basic starting point in project exports, according to Pessi, should be that we concentrate on offering our own skills and the experience we have acquired. It is not really possible to make project exports to industrialized countries on any other basis. According to Pessi, this also applies to developing countries, although perhaps not quite so literally.

"Project exports must be approached differently in industrialized and developing countries. In industrialized countries, the "products" that are competitive are generally those [of] high [quality], with latest technology, and original development," said Pessi.

Financing and execution of projects in industrialized countries is more familiar to Finns than in developing countries. In the latter several perhaps entirely new factors must be taken into consideration. "Altogether, we need to look at matters concerning the transfer of technology to developing countries in project exports from the developing country's own point of view more than [we do] at present," Pessi observed.
9611
CSO: 3107/54

TRADE DEFICIT WITH USSR DECLINED IN 1980

Helsinki HELSINGIN SANOMAT in Finnish 28 Jan 81 p 25

[Article: "Trade Deficit to the Soviet Union Has Shrunk"]

[Text] Finland's trade deficit to the Soviet Union has shrunk unexpectedly rapidly and is now less than 100 million rubles or 550 million marks.

More expensive oil greatly disturbed the account balance last year, and the deficit was very great at times. At the end of the year, however, Finland received significant payments from, among other things, projects. This balanced the account so that Finland's debt to the Soviet Union was only 156 million rubles or 890 million marks.

At the same time, trade in goods alone was still 2.9 billion marks in deficit, i.e., with an excess of imports to Finland--just because of the rise in oil prices.

The balancing of the payment account in January has continued at a good rate, and so the debt to the Soviet Union is now under a hundred million rubles.

Payments for goods trade, projects, and tourism between Finland and the Soviet Union are made through a so-called "clearing" account. This account jumped into a deficit in the fall of 1979 when the prices of oil were again increased noticeably.

The years 1979 and 1980 have been recorded as deficit years for Finland. The last time the payment account was in deficit was after the first oil crisis in 1974, when a debt to the Soviet Union of about 450 million marks was accumulated.

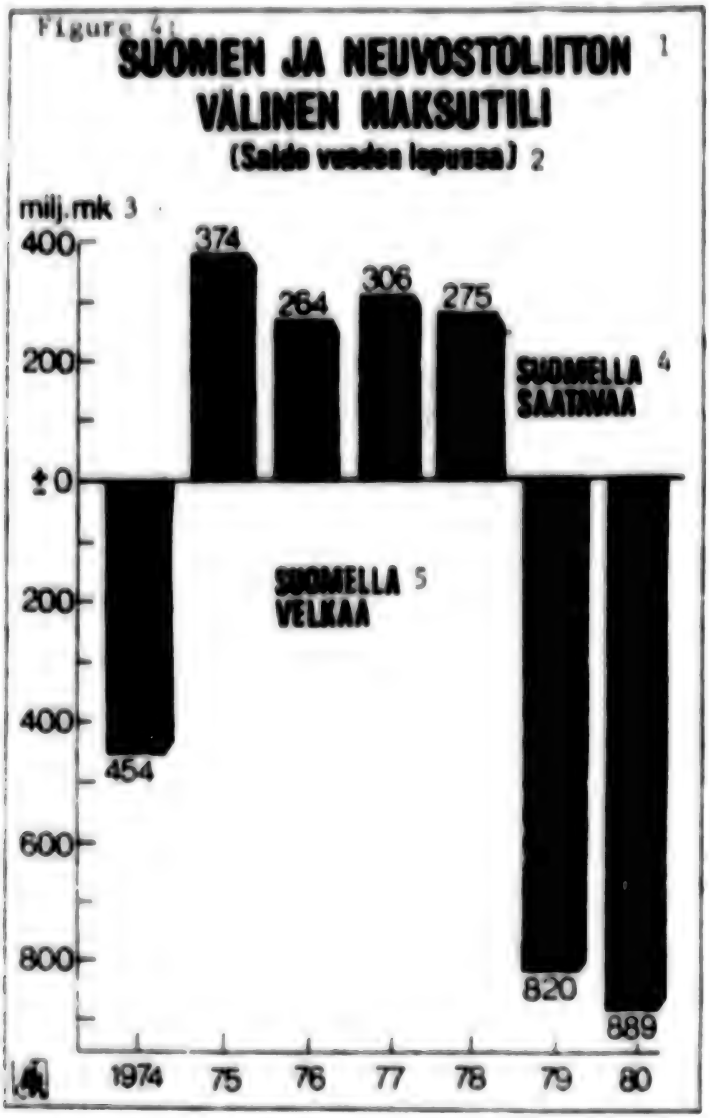
The debt turned to Finland's favor, however, already in the next year, 1975. Also in 1976, 1977, and 1978 Finland had receivable debts.

Since the beginning of this year, a debt limit of 150 million rubles or 855 million marks has been agreed to. Last year the agreed debt limit on either side was still 100 million rubles or 570 million marks.

In principle the trading partner to whom debts are owed can require that the account be balanced with convertible currency, if the debt limit is exceeded. In practice, however, this has never happened between Finland and the Soviet Union; instead imbalances have been corrected through commerce.

This year it is expected that goods trade with the Soviet Union will also balance out, approximately. In addition, it appears, on the basis of preliminary estimates, that exports will grow clearly above what was agreed to in this year's trade agreement. Furthermore, it is expected that this year there will again be an income of a billion marks from project exports.

Figure 4:



KEY:
1. Payment Account Between Finland and the Soviet Union
2. (Net at the end of the year)
3. Millions of marks
4. Receivable by Finland
5. Owed by Finland

9611
CSO: 3107/54

BRIEFS

FINLAND-ALBANIA TRADE PACT--The five-year trade agreement signed in September of last year between Finland and Albania went into effect at the beginning of February. The statute concerning this was contained in a presentation by the president of the republic. The agreement was signed in September in Tirane by Foreign Trade Minister Esko Rekola. For Albania, the agreement was signed by minister Nedin Hoxha. The agreement replaces an earlier five-year trade pact between Finland and Albania agreed to in 1975. The agreement contains indicative lists of the exports of both countries. On Albania's list of exports there are, among other things: bitumen, ore concentrates, ores, metals, textiles, and foodstuffs. Ores and metals exported include chromium, nickel, and copper ores, metals, and ore concentrates. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 2 Feb 81 p 23] 9611

CSO: 3107/54

CABINET ANNOUNCES IMPROVEMENT IN ECONOMY

Athens ATHENS NEWS in English 7 Apr 81 p 4

[Text] An optimistic picture of the Greek economy emerged from the Cabinet meeting which was held yesterday. According to an announcement last night inflation has been restricted, investments in Greece have increased and the retail price index is down in comparison with the same period in 1980.

The announcement said that during 1981 the gross national product was expected to rise by about 3%. It was also expected that during 1981 incomes in the agricultural sector would increase.

In the first three months of 1981, continued the announcement, the rise in the retail price index was lower than for the past three years. The increase in 1981 was restricted to 6% whereas in 1980 it was 6.4% and 7.2% in 1979.

It was also foreseen that in the next three months and in the second half of 1981, rises in prices would be lower than those during the same period in 1980, provided there was no further increase in the price of oil.

The situation in the foreign exchange sector was very satisfactory, said the announcement, despite the high rise in oil costs at the beginning of the year.

With accession to the European Community, concluded the announcement, Greece acquired the ability to speed up and broaden the rise in living standards. In this way it will complete the "change" which will transform the economic face of the country. Government opposition, it said, campaigns for a change which is nothing more than a rejection of all that has been acquired with toil and sacrifice by the people.

If Greece were not in the EEC the high investment figures would have weighed against the national budget--that is to say, the Greek people would have paid.

CSO: 4920

CONSERVATIVES' KLEPPE WEIGHS CHOICES FOR ENERGY ECONOMY

Oslo NORGES HANDELS OG SJOFARTSTIDENDE in Norwegian 18 Feb 81 p 7

[Article by John Roos]

[Text] Sandefjord: We should not have excessive expectations as to what oil revenues can give us in the next 20 years, and we must make both "unpopular" and "difficult" decisions to overcome the problems facing an oil-producing Norway.

This was stressed by cabinet minister Per Kleppe in a somewhat gloomy speech at the "Economy Conference '81" yesterday. He added that the oil had merely reinforced those problems we are facing: "The impulses from the North Sea and the indirect shocks from the international oil economy create shifts in our economic situation and in the balance of power in Norway," Kleppe said. These apportionment conflicts may help undermine our common interests.

He added that this gloomy reality is veiled by the excessive expectations people have in the significance of the oil revenues.

One Half To One Percent

"If we assume a 2 percent annual production increase in the rest of the economy, the total increase in revenues for Norway during the period 1980 to 2000 will be no greater than 2.5 to 3 percent annually," Kleppe said. During that time, the petroleum activity will not raise the total real increase in revenues by more than between 0.5 and 1 percent annually over the next 20 years.

The minister pointed out that an increase in productivity in the balance of the economy similar to that previously experienced could make just as great a contribution.

"In reality, we will now experience an increase with oil of barely 3 percent per year, while in the 1960's we had an annual increase of 4 percent without oil," Kleppe said.

Crisis Of Recognition

Kleppe stated that we should use a good portion to pay off part of the nation's foreign debt of about 45 billion. That would give us free hands to act, which would be good should an international crisis arise.

"One difficulty in bringing about a cautious policy is that people's expectations concerning the increase in both private and public consumption are much higher than what we can cope with in the narrow economic framework we now must expect to have," Kleppe said.

He stated that people did not understand that the oil barely covers the lost increase we previously had in industry and shipping.

"We are in a kind of 'crisis of recognition,'" the planning minister said. "Public consumption of goods and services, which increased sharply during the seventies, must increase much more slowly in the years to come."

He also pointed out that plans for new institutions and programs are still based on exaggerated expectations of growth, which will give rise to transitional problems such as those we now see on the communal level.

Oil Minor Part Of Economy

Kleppe pointed out that oil currently comprises only 15 percent of the gross national product.

"And we do not believe that this percentage will surpass 20 percent in the upcoming years," he said.

The other branches of industry will continue to make up the major portion of our economy.

"We must use our resources to make them more productive and competitive. Serious deficiencies there cannot be made up by the oil, even if the oil age lasts 100 years," Kleppe said.

The Difficult Choice

Kleppe examined in detail a number of choices Norway will have to make during the eighties, and he warned against being too short sighted. That would lead to our options' being so tightly restricted that several positive objectives would be impossible to attain because our resources would be tied up.

According to the minister, the choices we will face are:

1. Shall we emphasize work for everyone or should we look for higher income for those who already have work?

2. Will we choose inflation, or will we go in for moderate price rises, perhaps using restrictive policies?

3. Shall the increase in public expenditures continue, now that such expenditures have reached 50 percent of the national product?

4. Shall we provide for increased private consumption, or shall we use a portion of the increased revenues to strengthen business, while at the same time increasing public contributions to the weaker groups of society, etc?

Kleppe's Economic Forecast For OECD [Organization for Economic Cooperation and Development]

Increased production will be low--about 2.5 percent annually--in the established industrial countries. Some of Norway's most important markets, including Sweden and Great Britain, will have an even lower increase than that.

Investments will increase more slowly than before in the established industrial countries.

Inflation will continue to be relatively high in most countries and the battle against it will dampen growth and increase unemployment.

New technology can--along with industrialization of developing countries--reduce profitability in established areas but at the same time can open the door to new possibilities.

Unemployment, which is now approaching 25 million, will probably rise even higher. This can lead to difficult social burdens, erode solidarity in important industrial countries, and reduce the possibility of governments to carry out joint policies.

Oil prices will presumably continue to rise somewhat compared to other prices, but by "jumps" which will set off waves of inflation.

9336
CSO: 3108/104

SUMMARY OF 1980 ECONOMIC TRENDS, PERFORMANCE

Lisbon TEMPO in Portuguese 22 Jan 81 p 2

[Article by P. S.: "Short-Term Prospects of the Portuguese Economy"]

[Text] Porto--"The short-term prospects of the Portuguese economy appear to reflect a combination of factors related to the international economic situation, the expectations of various domestic economic experts and the objective of the economic policy now being implemented," according to the newsletter CONJUNTURA put out by the Portuguese Bank of the Atlantic in November 1980 after analyzing developments in the Portuguese and international situations.

CONJUNTURA's extensive analysis states the following:

"Considering all countries which directly and substantially influence the Portuguese situation (France, the FRG, the United Kingdom, the United States, Sweden and Italy), it is important to mention a few factors which point to an alleviation in the effects of the general recession. Private consumption in those countries has come to be the major item in overall spending, and this benefits exporters of consumer goods; and two of the more important partners--France and the FRG--are showing a more favorable trend in the areas of economic activity and employment. This is evidenced by the fact that they are continuing to show an increase in exports, income from tourism and remittances from emigrants, even though at a more moderate rate. Other elements of moderation of the recession are also entering the picture: a gradual recovery, already apparent, of the level of participation achieved in 1973 in the markets of client countries; a more normal rate in the use of domestic tourist facilities; and a decrease in savings accumulated outside the country by emigrants. This means that the first line of short-term development detected consists of an increase in the foreign debt, which could be aggravated if we are faced with new increases in the price of oil. Admitting that the forecasts of the experts are usually just a reflection of trends observed in the economic area, we may assume that the rate of activity will continue to depend on stimuli provided by the economic policy, taking foreign restrictions into account. These restrictions serve principally as limitations, as shown in 1979 when a restrictive attitude was pursued which exceeded the requirements of the imbalance in the foreign debt. Considering the continued objectives of the preliminary work done on the Medium-Term Plan, it must be admitted that the economic policy being pursued is concentrating on a moderate expansion of domestic consumption, investment and production and a still more moderate acceleration in employment. On the subject of prices, the slowdown projected for the first 6 months continued to depend on the intensity of foreign clashes, the effectiveness of the profit and price policy and the overcoming of volume and productivity obstacles encountered in our domestic supply."

The analysis goes on to say:

"The demand for industrial products showed a general decline in the second quarter of 1980 both on the overall level and on the level of foreign demand. Only the demand for investment goods showed an opposite trend, recovering losses incurred in the first quarter. We are referring to a favorable change in overall demand in the food and nonferrous minerals sectors and in foreign demand in the beverage and metal-products sectors, and a general decline in other sectors offset by a rebound in textiles, wood, cork and paper. The first 6 months of 1980 saw a slowdown in price increases. Using the consumer price index, we find that, up to August, there was a 19 percent increase over the same period of the previous year, while, for the entire year, the figure was 23 percent. Analyzing the price variation by categories, we find that food and beverages showed the greatest slowdown in the rate of increase, being 13 percent in that period compared with 28 percent in 1979."

Continuing its analysis, CONJUNTURA writes the following:

"Beginning with the fourth quarter of 1979, we see a trend toward the restoration of real wages. Thus, for the first 6 months of 1980, we saw a 6.4 percent increase in the buying power of deflated wages. It should be pointed out that there was almost a standstill in productivity in the first quarter of 1980, interrupting a relatively accelerated growth which had begun in the second quarter of 1979. The total amount of expendable funds continued to progress rapidly despite a slight weakening which showed up in the second quarter of 1980. This development reflected the strong influence of time deposits, although those deposits decreased somewhat beginning with the first quarter of 1980. It should also be mentioned that there was an increase in the growth rate of demand deposits and currency circulation beginning with the first quarter of 1979, although at rates which were lower than those paid in the case of monetary transactions and term deposits. This development indicates a gradual strengthening in economic activity during all of 1979 and the first quarter of 1980.

"That same period saw a continuation in the trend toward greater rapidity in the growth of credit available to the public sector than that available to companies and private individuals. As a result, the level of domestic credit allocated to the public sector rose from 19.6 percent in 1978 to 23.4 percent at the end of last June. However, since the first quarter of this year, this trend has been gradually slowing down due to an increase in the amount of credit allocated to the productive sector (especially in the second quarter) and to greater restraint in the amount of credit given to the public sector. It is to be noted that the first factor shows both an increase in the cost of foreign indebtedness and greater flexibility in the control of credit ceilings beginning with the fourth quarter of 1979."

Meanwhile, "the first 6 months of 1980 are not yet giving definite indications with regard to investment in the productive sector," according to CONJUNTURA. "However," it adds, "the values of machine imports do not point to any probable reversal of the stagnation trend. Information at hand also appears to indicate that investment in construction during the third quarter has recaptured the vigor it had during the first quarter."

Moreover, the "first quarter of 1980 was exceptional in showing a deterioration in the remainder due in the balance of payments, with the combined effect of a worsening in the trade balance, a decline in remittances from emigrants and a decrease in the amount of available capital funds."

In summary:

"Increased domestic demand resulted in increased imports not compensated by a like increase in exports.

"An increase in the cost of foreign indebtedness and a 6 percent devaluation of the escudo in January resulted in less recourse to foreign credit and directly affected the surplus of available capital funds.

"The second quarter of 1980 saw a recovery in the rate of coverage of imports by exports (61.24 percent compared with 57.29 percent in the first quarter); this is explained by an accelerated decline in the growth rate of imports more than offset by a deceleration in exports."

8568
CSO: 3101

BATTLE OF POLITICAL PARTIES INTENSIFIES

Nicosia THE CYPRUS WEEKLY in English 20-26 Mar 81 p 3

[Text] The battle of the parties intensified this week as the ruling Democratic Party of President Kyprianou engaged in a bitter row with the Opposition Democratic Rally of Mr Glafkos Clerides.

The exchanges, which continued throughout the week, followed Mr Clerides' appearance in the "Meet the Press" TV series and the President's address to a party congress in Nicosia.

The dispute has concentrated mainly on Mr Clerides' activities and omissions while he was acting President or Greek Cypriot negotiator in the previous rounds of intercommunal talks.

Mr Clerides asserted in the TV interview that he was acting with the authority of the late President Makarios when he reached a "secret" deal with Mr Rauf Denktash, his Turkish Cypriot opposite number at the time, in the Vienna talks, about the exchange of written papers on the thorny issue of territory.

He read from the minutes of the National Council meeting of January 28 1976 to support his claim. He quoted Makarios as telling the National Council that he agreed with the arrangement under which the Greek Cyrpiot side would be submitting written proposals first, provided the Turks followed within a certain time.

"This was the agreement I reached with Mr Denktash in Vienna, in the presence of Mr Waldheim. The Greek government and the Cyrpus government were in the know", Clerides said in his TV interview, adding "I followed strictly Makarios' instructions".

But President Kyprianou, addressing some 1,400 party supporters in the Athineon cinema in Nicosia, bluntly accused Clerides of "lying".

"I categorically state that Mr Clerides concealed the truth from Ethnarch Makarios...and he has the nerve to appear on television to mislead the people", Kyprianou said.

Letter

Pro-Kyprianou newspaper ELEFTHEROTYPIA followed up the attack by printing a photostat copy of Mr Clerides' letter of resignation dated April 7, 1976.

In that letter, Clerides told President Makarios he was quitting as negotiator and confirmed that he had kept the Archbishop, the National Council and the government in the dark over the committment he had undertaken concerning the exchange of proposals on territory.

"I deemed that in the circumstances this was a small price to pay for salvaging the procedure of the talks", he said in the letter.

In the TV interview, Clerides pointed out that when the Greek Cypriot side finally tabled proposals, including a map, in 1977, they had to wait 14 months for the Turks to reciprocate, whereas under the Vienna deal, the Turks would be submitting their proposals 15 days after the Greeks.

Karpass

Clerides was also queried about the other agreement he concluded with Denktash concerning the movement of the Turks to the north. He recalled that Denktash was at the time expelling 500 Greek Cyrpiots from the Karpass every day. The agreement he reached with Denktash provided for the continued stay, under conditions of freedom, of the Greeks in the Karpass. In August 1975 the National Council and the Council of Ministers approved his handling of the matter, with the exception of Dr Lyssarides.

Clerides also defended himself against charges that he had "abandoned" Famagusta to the Turks in the summer of 1974. He said his orders, as acting President, were that Famagusta should be defended. "But we had no airforce, no tanks, no artillery, and our forces were not in a position to put up any resistance to the Turks. We could do nothing to stop the population from abandoning the town", he said.

Replying to other questions, Clerides said his party and Akel had no serious disagreement about the form of a Cyprus settlement. But Akel ruled out any Western initiative.

Clerides, declared that his Democatic Rally would emerge the "biggest party of Cyprus" in the forthcoming polls. [as published]

President Kyprianou said the congress marked the launching of Diko's campaign to "triumph" at the coming elections. He said Diko covered the Centre and "democratic Right".

CSO: 4920

ELECTION REGULATIONS PASSED BY HOUSE

Nicosia CYPRUS MAIL in English 3 Apr 81 p 1

[Text] The House of Representatives yesterday voted for the regulations which will govern the forthcoming general elections but no date has yet been fixed for their holding.

Under the regulations passed yesterday there will be a single voting card on which the various parties will appear in alphabetical order.

It was agreed that the various parties can put an emblem to distinguish their identity but the emblems must be such as to avoid "conditions of exploitation of any symbol of religious worship or an emblem of the Republic or of any foreign power".

The elections will be under the proportional representation system and the House Members agreed that the first count shall take place in the constituency where the election is held.

But the second and third count--the allocation of the residual votes--shall be made by the Chief Registrar of elections.

Another point agreed yesterday was that voters are entitled to use a "preference cross" to make their favourites but only one cross for every four candidates of the specific part voted.

There was laughter in the House when the vote was taken as to whether the parties on the voting card should be in alphabetical order or whether the order should be decided by ballot.

The House decided by eight votes with 22 against in favour of the alphabetical presentation, and Mr Yangos Potamitis, explained he was against the "ballot" presentation because he was against "gambling".

Some of the members carried in the House charges that the ruling Democratic Party is using government machinery for the election campaign.

Mr Christophides (Union of Centre) claimed that there have been releases from prison on party grounds and said that the parties are facing "unfair competition", but Mr G. Ladas, parliamentary spokesman for the Democratic Party described the allegation as untrue.

CSO: 4920

UNDER HOME RULE, MORE DANES SOUGHT FOR GREENLAND POSTS

Copenhagen BERLINGSKE TIDENDE in Danish 3 Mar 81 p 2

[Article by Michael Rastrup Smith]

[Text] The transition to home rule in Greenland has not had the expected effect of reducing the number of Danes sent there. At present Danes are being appointed to public posts as never before.

A statement in DANMARKS STATISTIK indicates that the population in Greenland, which has been stable for many years, increased by 870 persons in 1980. According to DANMARKS STATISTIK 200 of the population growth represents excess of births over deaths, while most of the remaining 670 persons must be assumed to be recently arrived Danes.

The director of the Danish office of the home rule commission, Jakob Karup Pedersen, says:

"After home rule was introduced in 1976, there were expansions of activity in a number of fields. Home rule has steadily taken over fields that were formerly administered by the state. That has necessitated an increase in administrative personnel in Greenland. Thus, the transfer of the school system to home rule last year required a number of new appointments in the municipal administrations and elsewhere. As of 1 January of this year the training section was turned over to Greenland, and I know that a number of positions will be established in connection with that."

Recently Greenland's public authorities have tried increasingly to get Danes to go to Greenland through advertisements in the daily press. Of this increased activity Jakob Karup Pedersen says:

"As the need for employees increased, it has become harder to get people to go to Greenland. That is especially true of academics. Here it can be stated as a fact that as unemployment in this group has increased it has become harder to get them to go to Greenland. People do not stay there as long as they used to, either. Today it is quite normal for them to return home after 2 years."

BERLINGSKE TIDENDE talked yesterday with Gunnar Piester, municipal director of the Jakobshavn municipality. In the Sunday papers the municipality is advertising for a municipal engineer, because the present incumbent, after 2 years in Greenland,

is going home to a job in Denmark.

Gunnar Piester says: "When home rule was introduced in 1976 there were 20 of us employed in the municipal administration. Today there are 10 *(sic)* of us. The great increase in municipal personnel is due to the fact that we are administering areas that were formerly the responsibility of the state. Remarkably enough, this development does not appear to have caused any layoffs on the part of the state. Here in town, for instance, no state positions were discontinued after the transition to home rule administration."

Gunnar Piester goes on to add that the municipality's administrative personnel will increase to about 100 persons in the course of the next 3 to 5 years.

Concerning working in Greenland today, Gunnar Piester says:

"You have to like the climate. There is no longer any economic advantage at all in working out here. Although the tax rate in Jakobshavn is only 22 percent, the difference is swallowed up by greatly increased living costs. Everything costs more in Greenland. And heating oil is a very big item, because it is so cold here."

8815
CSO: 3106

GOVERNMENT COMMISSION MAPS PLANS FOR 'SOCIALIST SOCIETY'

Copenhagen BERLINGSKE TIDENDE in Danish 10 Mar 81 p 7

[Report by JB (Johannes Bundgård)]

[Text] Greenland's economic life will be socialized and the economic surplus in the society distributed equally by means of expropriation and forced investment. In the end, profit and property rights will be eliminated in a socialist form of society.

That is the report of a study group appointed by the Greenland home rule commission, which is made up entirely of members of the Siumut ["Forward"] party.

The proposal arises from a report by the study group. On the basis of a discussion of the fisheries and the fish industry it states that a further development of capitalist production would tighten the economic and political strait jacket. The "capitalist" development is also blamed for the depopulation of settlements, unemployment, and social problems.

The Siumut study group points out that only private trade and services in Greenland yield a surplus, while the production industries--fishing, whaling, sheep-growing, and the fish industry produce losses. This leads to an argument that the economic policy should not be worked out on the basis of profit and private property, but on the basis of the need and possibilities of producing in the different parts of the country. The economic surplus in this society will be distributed more equally by expropriation and an obligation to invest.

The proposal for Greenland's transition to a socialist form of society will be discussed in the Greenland Landsting. The study group will have the Landsting's authorization to continue its work. Siumut, by the way, has a clear majority in the Landsting.

8815
CSO: 3106

OLSEN: UNREALISTIC TO LEAVE EC IN 1983

Could Require Danish Plebiscite

Copenhagen BERLINGSKE TIDENDE in Danish 11 Mar 81 p 5

[Report of interview with Foreign Minister Kjeld Olesen by JB (Johannes Bundgård)]

[Text] Greenland's home-rule commission will be informed at a meeting with the government [of Denmark] that it is quite unrealistic to talk about Greenland's getting out of the EC in 1983 after a plebiscite in February 1982. "The procedure will take far more time," says Foreign Minister Kjeld Olesen.

The proposal for a plebiscite and subsequent withdrawal from the EC comes from the Siumut ["Forward"] party, which not only has a majority in the Greenland Landsting [assembly] but also stands for the home-rule commission.

According to the plan the proposal will be dealt with at the spring session of the Landsting, which was opened last weekend. At the opening, however, a letter was presented from Prime Minister Anker Jørgensen to Jonathan Motzfeldt, chairman of the home-rule government. In the letter the prime minister stated that his government would support a desire on Greenland's part to withdraw from the EC. But at the same time the home-rule commission was invited to an early meeting in Copenhagen to discuss the extensive and time-consuming problems that a Greenland wish to withdraw from the EC will raise. At the same time Tove Lindbo Larsen, minister of Greenland affairs, who took part in the opening, communicated the government's position: That it is unrealistic to aim at withdrawal from the EC in 1983.

"I share the view that former Finance Minister Erik Ninn-Hansen expressed in the BERLINGSKE TIDENDE that a plebiscite is not binding," Foreign Minister Kjeld Olesen tells BERLINGSKE TIDENDE.

"Therefore, a desire expressed by a Greenland plebiscite will first be approved by the home-rule commission and then be put before the government [of Denmark]. After that the government must ask the Folketing for authority to enter into negotiations with the EC on the matter, and during the EC negotiations the approval of all nine member countries will be obtained. But for that purpose a long list of economic and practical problems must be cleared up. For example, the [Danish] state owns and operates the Royal Greenland Trade, which constitutes most of the economy and operates both the fisheries and the fish industry. Since the state maintains EC membership, the KGH's [Royal Greenland Trade's] position must be clarified before

it will be possible to go further. But there are other problems of the same magnitude," the foreign minister concludes.

The idea of Greenland's withdrawal from the EC has never been accepted by the big opposition parties in the Folketing, and theoretically the possibility cannot be ruled out that they will demand a Danish plebiscite on relations with Greenland. In the EC the matter causes concern, since a Greenland withdrawal may pave the way for other EC countries' self-governing territories.

Plebiscite Without Meaning

Copenhagen BERLINGSKE TIDENDE in Danish 5 Mar 81 p 8

[Report by Johannes Bundgård]

> [Text] Erik Ninn-Hansen: The home-rule commission can present a wish to withdraw, but it is doubtful whether it can be fulfilled.

A Greenland plebiscite on membership in the EC is meaningless. If the home-rule commission desires withdrawal, that can be simply communicated to the [Danish] government. But it is doubtful whether the wish can be complied with.

That is how the Folketing member most experienced in Greenland policy, former finance minister Erik Ninn-Hansen (K [Conservative]) evaluates the proposal for an advisory plebiscite that will be discussed at the spring session of the Greenland Landsting, which opens Saturday [7 March].

The proposal was formulated by the Siumut ["Forward"] party, which stands for the home-rule commission, while the Atàssut ["Mutual Cooperation"] party wants to retain the membership.

Big Problems in International Law

"An advisory plebiscite has no real meaning," says Erik Ninn-Hansen. "The constitution, which also covers Greenland, does not speak of advisory plebiscites, but of referendums, in which the voters can throw out a bill that has been passed.

"With or without a plebiscite the home-rule commission can ask the [Danish] government to take the question of Greenland's withdrawal from the EC up for discussion in the EC. But it is only a request that is in question, not a right.

"The matter will raise big problems in international law which the home-rule commission cannot settle. I think it is doubtful whether Denmark can apply at all for withdrawal for a part of the kingdom which has formerly been joined to the EC. But here, again, at most it is a request that is involved, not a right. The 10 member countries can also be asked for permission.

kGH's Position Must First Be Clarified

"Then there are the economic problems. Greenland has received large grants and loans from the EC and can hardly do without such aid. But no one can very well imagine that Denmark would cover the loss. Since the Danish voters have chosen EC membership, I do not think the Folketing has a right to use their money to compensate for losses that the Greenlanders might suffer by going another way.

"The Greenlanders must also, if there is any objectivity present, clarify their economic policy before an EC decision is reached. In particular, the Royal Greenland Trade's position must be weighed. Until that state agency, which accounts for most of the economy, has been transferred to the home rule commission, it is unthinkable that the agency's conditions could be changed decisively by withdrawal from the EC.

"In Greenland as well as here, it is necessary to look more toward new economic possibilities, with use of water power and subterranean resources, so that the young will not be stranded in a wretched existence in Denmark. We Conservatives are willing to contribute. Unfortunately, the government has now shut us out of a 50-year-old collaboration on the committee on questions of subterranean resources. I shall be disappointed if Tove Lindbo Larsen, the new minister of Greenland affairs, thinks it reasonable to keep the Conservatives out of the big task of finding harmony between Greenland and Denmark," Erik Ninn-Hansen concludes.

Steenholdt Warns Against Withdrawal

Copenhagen BERLINGSKE TIDENDE in Danish 17 Mar 81 p 5

[Report by JB (Johannes Bundgård)]

[Text] "The education of Greenland's youth and the modernization of living conditions in the settlements will be seriously threatened if the Siumut ["Forward"] party gets the Folketing to take Greenland out of the EC."

That is the reaction of Otto Steenholdt, member of the Greenland Landsting and of the Folketing, to reports presented during the spring session of the Landsting on the use of the very large EC grants to Greenland.

"Siumut won a little more than half the votes in the Landsting election by making big promises about the education of the young, expansion of the country settlements, etc. Now we see that these are fulfilled to a great extent with EC money," adds Otto Steenholdt (Atâssut ["Mutual Cooperation"]).

Greenland is receiving an extraordinarily increased grant for economic development from the European Social Fund--increased by 55 percent as compared to something less than 30 million kroner in 1981, 27 million kroner in 1982, and 41 million kroner in each of the next 2 years--unless the ruling Siumut party's wish to withdraw from the EC by 1 January 1983 is fulfilled by a decision in the government, the EC, and the Folketing.

Modernization of living conditions played a decisive part in the Landsting election, and the Siumut party gained four seats, which gives it a big majority in the Landsting. Now it turns out that the establishment of electric plants and waterworks is 30 to 40 percent financed by the grant from the European Fund for Regional Development at th request of the home-rule commission, which is made up members of Siumut. The grant for 1981 will be 5.8 million kroner and for each of the next two years 6.4 million kroner, if Greenland has not left the EC at the wish of Siumut.

Greenlanders United Against EC

Copenhagen INFORMATION in Danish 17 Mar 81 p 5

[Report by Philip Lauritzen, INFORMATION correspondent]

[Text] Nuuk, 16 Mar--Although the two parties in the Greenland Landsting are sharply opposed to each other on the question of Greenland's membership in the EC, there was agreement yesterday that the population of Greenland shall vote by February 1982 on membership.

Both Atassut ["Mutual Cooperation"], which advocates Greenland's EC membership, and Siumut ["Forward"], which opposes it, got together yesterday behind a bill proposed by the Siumut-dominated home-rule commission concerning the holding of an advisory plebiscite in Greenland. In the plebiscite the voters will simply vote yes or no on the question: "Shall Greenland remain in the EC or not?"

Jonathan Motzfeldt, chairman of the home rule commission and the Landsting, emphasized in his presentation of the bill that the subject voted on will be simple and unambiguous.

A Mandate

From the bill it appears that the advisory plebiscite will only give the home-rule commission a mandate to negotiate with the Danish government on a withdrawal if there is a majority of no-votes. After that the Landsting will make the final decision, which will then be put before the national authorities, i.e. the Danish government and the Folketing.

Lars Chemnitz, chairman of Atassut, also criticized the bill for talking only about what the commission has authority to do if the plebiscite results in a no to EC.

"There should also be something in it about what the commission is obligated to if there is a majority of yes-votes," Lars Chemnitz said.

Withdrawal After 1982

The chairman of Siumut, Municipal Director Sofus Joelsen of Qaarnaq ([formerly] Thule), stated that Siumut will of course respect the result of the plebiscite no matter what it is, and Jonathan Motzfeldt, chairman of the home-rule commission, said that in case of a yes, the commission will negotiate new specialized agreements on the basis of the status quo. Greenland's present specialized agreements run out with 1982.

If the plebiscite leads to a no to EC membership, it is clear from Jonathan Motzfeldt's presentation in the Landsting yesterday that he is counting on it that withdrawal can be effected by the end of 1982, and the Landsting chairman got authority to map out even before the vote the possibilities if Greenland does get out of the EC.

"I am glad of that," he said. "That is the way it was in Denmark before entry [into the EC] in 1972. At that time the consequences both of membership and of staying out of the EC were studied.

With regard to whether Greenland can withdraw from the EC, the chairman of the home-rule commission consistently pointed to the promises that the Greenland council has received from Prime Minister Anker Jørgensen.

"We have been given to understand that the Danish government will respect a Greenland wish to withdraw," he said.

White Paper

While there was agreement on the plebiscit , here was no agreement on a proposal for a white paper on Greenland in and out[s]d of the EC.

Lars Chemnitz of Atassut had proposed tha group of Danish and Greenlandic officials work out a report on the advantage and disadvantages of Greenland's membership in the EC.

"We should like to have the bare facts set down," said Lars Chemnitz.

Siumut did not agree. Neither did the Siumut-dominated home-rule commission. It was pointed out that such a white paper would be political, however the "bare facts" were administered, and Jonathan Motzfeldt proposed instead that the political parties and interest organizations be given support for working out informational materials each for itself, and that the Landsting's employees be available to give out facts.

Atassut clung to the desire for a white paper, but the question was referred to a committee that is to continue to work on the question during the spring session of the Landsting.

Party Refuses 'Neutral' Publicity

Copenhagen BERLINGSKE TIDENDE in Danish 18 Mar 81 p 4

[Report by JB (Johannes Bundgård)]

[Text] The Greenland party Siumut ["Forward"] has refused to carry out a bipartisan, objective, neutral publicity campaign about the EC prior to a coming advisory plebiscite on Greenland's membership in the EC.

During the debate in the Greenland Landsting Lars Chemnitz, leader of the Atassut party, proposed setting up a Danish-Greenlandic official committee to collect objective information for a joint publicity campaign.

Home-Rule Chairman Jonathan Motzfeldt, leader of Siumut, rejected the proposal and proposed instead a grant from the home-rule commission to the two parties for their independent campaigns. Conditions for this together with the setting of the plebiscite will be discussed in a committee. Siumut still cherishes the desire to get out of the EC by 1 January 1983. The government has stated that this is not possible.

Amount of EC Funds

Copenhagen BERLINGSKE TIDENDE in Danish 20 Mar 81 p 4

[Report by Lars Th. Kjølbye: "Greenland's Record in Grants"]

[Text] Since EC membership in 1973 Greenland has received economic support from the EC of 8,633 kroner per capita. That is 40 times as much as the average in the rest of the EC. In the past 8 years the Greenlanders have received 165 million kroner from the social fund, while 268 million kroner has been contributed by the regional fund (starting in 1975).

In every case the support has been granted after a request from the Greenland authorities. Greenland is thus, according to calculations, the single area in the EC that receives the most aid, and the per capita aid is far above the amounts that are granted to Sicily, which is the EC's regional development area number 2. The EC's economic support for Greenland has come up for repeated debate since the increased resistance in Greenland to EC membership. It is particularly the fishery problems in the EC that have strengthened the Greenlanders' resistance, but according to Foreign Minister Kjeld Olesen's answer in the Folketing in November, after a possible withdrawal Greenland may be in a position to get an income of 9 to 11 million kroner by sale of fishing licenses for the amount of the catch that the Greenlanders themselves will not be able to take.

8815
CSO: 3106

CONSTITUTIONAL REVISION OF ELECTION LAW PROPOSED

Paris LE FIGARO in French 25 Feb 81 pp 1, 5

[Article by Pierre Thibon: "On the Proper Use of the Referendum"]

[Text] According to a proposal recently formulated by Mr Olivier Guichard, a referendum would be held at the end of each seven-year term of the president of the Republic to decide whether an election should be held or whether the people would be satisfied to extend the incumbent's term three more years, thus giving him a ten-year term.

This proposal may seem attractive at first glance, especially considering how much upset, strife and passion are caused by a presidential election. But the proposal also raises many objections, mainly that substituting a referendum for an election means turning the referendum into a plebiscite and thereby distorting a constitutional procedure that is already somewhat suspect in the view of some supercilious republicans.

Napoleon III's use of the referendum as a plebiscite is the reason that the referendum has gotten a rather bad reputation in France among professors of constitutional law. Yet it did have its republican title of nobility, as it were, because the constitution of 1793 made express provision for it--though it was never applied--and the 4th and 5th republics were created by popular referendum.

Also, General De Gaulle resorted to it four times, to settle key issues (presidential election by universal suffrage and the issue of Algeria), and, after a fashion, to "test" his legitimacy during his term of office. After the "no" vote on the April 1969 referendum concerning regionalization and reform of the Senate, he retired from public life.

Has this precedent subconsciously influenced his successors in the Elysee Palace? Yet Mr Pompidou used it only once (for Great Britain's entry into the Common Market) in his five years in office, and Mr Giscard d'Estaing has never used it in the seven years of his term.

Shelving a procedure designed to give the country a chance to express its opinion may be due to the limitations imposed on it by the constitution: the referendum can be used only for issues concerning the organization of public powers or for ratifying treaties that would affect the functions of public institutions or for amending the constitution.

Not every day can a reform be made appropriately by referendum, nor do people want to change the organization of a government that works more or less well and that people are used to anyway just for the fun of having a referendum.

For some time now and especially since the start of the campaign, a lot of proposals have come forth from all parts of the political spectrum. These proposals would have the practical effect of using the referendum in areas not presently provided for in the constitution.

The socialists, for example, have proposed a referendum on energy policy and nuclear power; Mr Bernard Tons, general secretary of the RPR [Rally for the Republic] recently brought up again the idea of consulting the people on regionalization; Mr Chirac has alluded to a referendum on the death penalty, etc.

A movement toward "popularizing" the referendum seems to be under way; actually, it is only a return to the oldest use of this means of consultation. The idea of asking the people directly for their opinion on the concrete issues affecting the life of the city is as old as democracy itself. It is not even necessary to go back as far as ancient Greece; Switzerland still regularly uses the referendum.

In France, several campaigns were started in the past, notably by Paul Deschanel, who became president of the Republic in 1920, to use it when delicate issues had to be settled. At the local level, there were even some mini-referendums at the end of the 19th century. They were more or less tolerated if not actually encouraged by the prefectoral administration: one was a vote on replacing the municipal import tax on merchandise with a straight percentage tax increase; another, on the mortuary monopoly; another, on fairgrounds fees, etc. In Beauvais in 1893 during a period of official government anticlericalism, there was even a referendum on admitting the clergy to the feast of Jeanne Hachette.

Again in 1896 the government held a kind of two-stage referendum on instituting the income tax. It asked all the councils general to say whether or not there should be an income tax. The consultation was all for naught: 60 out of 89 councils general answered flatly no, only 18 yes and 11 "yes, but..." As you can tell at this time, when people are filing their income taxes, this consultation in no way prevented the executive branch of government from going ahead with it.

It is theoretically possible to imagine the referendum's being extended to subjects that do not fall into the present narrow limits. That is why an apparently innocuous reform might rather quickly become dangerous in the hands of an unscrupulous executive branch. Indeed, it should be understood that when the referendum is used to settle delicate issues, like the death penalty, for example, it might relieve legislators of a responsibility that troubles both their consciences and their reelection prospects, because a deputy or senator is practically sure to displease a part of his constituency, no matter how he votes on an issue of this kind.

But parliament would very quickly pay a price for the momentary comfort of "discarding" the trouble of taking a position on an issue and making the people in general do it. Its authority would soon be harmed by this action, and there would soon be no reason for governments not resorting more and more to referendums to go over the head of a troublesome parliament.

Anyhow, it is a fact that most of the proposals made in the past for massive use of the referendum were more or less clearly directed against a parliament depicted as an exclusive club for Byzantine discussions where men defended their own or partisan interests rather than the public interest. In short, the old distinction between the nation "de jure" and the nation "de facto" is often in the background of campaigns for direct democracy.

It is therefore perfectly legitimate to advocate holding a referendum on issues that it is not presently intended to settle, because the present limitations may indeed be too narrow. But there are risks to be avoided in overusing a system that can negate democracy in the guise of democracy.

8782
CSO: 3100

COLLOQUIUM ON CONSTITUTIONAL LAW, DEMOCRACY, REFERENDUMS

Paris LE MONDE in French 11 Mar 81 p 10

[Article by Laurent Zecchini: A Colloquium of "Droit et Democratie" on "The Republic Adrift"]

[Text] "The Republic Adrift" was the theme of a colloquium held in Paris on Friday 6 and Saturday 7 March by the association "Droit et Democratie." It had no room for doubters. The 11 personages who spoke during the debate strove to analyze this drift, seek its causes, and suggest solutions without questioning the initial diagnosis at any time. Of course, the people who organized the colloquium were free to choose the topic and the participants, who were, for the most part, close to the Socialist Party; but we can only regret that they left out one question among all those raised during the two-day session: does truth often spring from unanimity?

In any case, the proofs, though not very new, did not lack supporting arguments. It is no doubt justifiable to say that in Mr Giscard d'Estaing's seven-year term of office parliament's prerogatives have been reduced, the media have been systematically "colonized," the courts made more dependent on executive authority, and economic machinery merged with state bureaucracy, as was explained by Mr Jacques Attali, who is Mr Mitterrand's cabinet chief. There may have also been some "manipulation of constitutional mechanisms," as shown by Mr Claude Leclerc, a professor of public law at the university Paris-12. But does the "drift" really consist in the way of electing the president of the Republic--by universal suffrage, as stated by Mr Daniel Mayer, honorary president of the League of the Rights of Man? Mr Mayer's thesis was supported by several speakers; its purport is that the 1962 reform is undemocratic.

For Mr Roger-Gerard Schwartzenberg, on the other hand, the election of the president of the Republic by universal suffrage remains "a democratic achievement and is perceived as such by the people." He remarked with surprise that "universal suffrage cannot be distrusted; universal suffrage is right by definition in a democracy."

The vice-president of the Movement of Left Radicals, who favors a five-year term for president, also argued for a return to "the judicial function of the referendum," which is different from the "practice of plebiscite" and "catch-all referenda."
All the participants agreed in criticizing the regime's increased presidentialism, which it has acquired since the election of Mr Giscard d'Estaing, and in noting with Mr Schwartzenberg that the head of state is a man who "speaks volumes about incidentals and says little or nothing about essentials."

"Accumulated Revolts"

Going beyond the various kinds of drift that everyone pointed out, there was one that seemed to be essential in the final analysis: the drift of democracy. Mr Jean-Denis Bredin, president of the Ile-de-France Federation of the MRG [Movement of Left Radicals] made the most original contribution to the discussion of this theme. Democracy, he declared, is necessarily made up of "accumulated revolts." "Despite ourselves, we have a very short memory.... Simply by lasting, Pinochet is becoming tolerable. One of the strengths of the present government consists in its knowing that our memory is short and that, consequently, our indignation may also be.

"We will not restore the democratic ideal," he continued, "by changing presidents, amending the constitution, giving parliament back two or three prerogatives or simplifying protocol.... Nor will democracy be revived because we have replaced the bad power of the right with the good power of the left," simply because there is no such thing as "good power."

"The true democratic revolution," Mr Bredin concluded, "seems to me to start in each of us. It is our ability to resist the temptations of this semi-democracy exemplified by the Giscardian state."

Mr Ribs, the president of "Droit et Democratie," summed up the main point of the initial question by saying, "The phenomenon of the man Giscard does have its importance, but he is only the spokesman for a vaster, deeper movement. At this level there arises the very serious problem of the democratic awareness of a large part of the French people. Democracy is neither normal nor natural in France. A very large part of the French people are satisfied with this system of elective monarchy provided they can vote every so often to designate the monarch and a few other government big shots and provided they enjoy some freedom to come and go as they please."

8782
CSO: 3100

'FRERE DES HOMMES' CRITICIZES THIRD WORLD AID POLICIES

Actions in Upcoming Elections

Paris LE MONDE in French 5 Mar 81 p 9

[Article: "France Is the 'Red Lantern' of Disinterested Aid to the Third World"]

[Text] Freres des Hommes, "a direct action movement for the development of the peoples of Asia, Africa and Latin America," has issued a document specifying the steps which must be taken by the members of this association (nonpolitical and nonreligious) on the subject of the presidential elections. While pointing out that solidarity with the Third World is not a "very profitable" electoral topic, Freres des Hommes emphasizes the disparity between official speeches and the reality of French aid.

French public aid is never entirely disinterested and is very rarely "free." If we subtract the aid to the overseas departments and territories "which excessively inflates" the official figures, the document points out, such aid accounts for no more than 0.5 percent of the GNP, as compared to 0.7 percent in the Scandinavian countries and the Netherlands, 0.52 percent in the United Kingdom and 0.44 percent in the FRG. This aid, which is most frequently bilateral, is "tied" to conditions which benefit France in a 60-40 percent ratio. Furthermore, the aid is diminishing with every passing year. In 1977 private humanitarian grants totaled $16 million as compared with $225 million granted by the FRG and $43 million by the Netherlands.

As far as private humanitarian aid to the Third World is concerned, France is the only country in Western Europe in which the state provides no financial support whatever.

Freres des Hommes writes, on the other hand, on the subject of access to information media: "Our daily experience shows that we have a very difficult access to the media, the radio and television above all. The cuts made on the film 'One Earth' on the Libre Parcours Magazine program were not all innocent any more than is the suppression of one or another commentary by the IFOP opinion poll, also on TV. Here again a comparison with other European countries speaks eloquently: in Belgium, for example, the film was shown on TV with no editing."

The movement has formulated a certain number of suggestions. Among others, it demands the following: "An official status must be assigned to the volunteers without delay; the competence and experience of private international cooperation organizations must be better recognized and taken into consideration by the authorities;...every French person should be allowed to assign a certain portion of his

taxes or taxable income to a private international cooperation association; the radio and television should deal more extensively with Third World problems and private international cooperation associations should be allowed to participate effectively in this information effort;...it should be made easier for foreign workers to set up associations and to organize. Along with French citizens, they should be able to do so specifically within the framework of the 1901 law."

Third World Aid

Paris LE MONDE in French 7 Mar 81 p 8

[Text] The Freres des Hommes movement, a summary of whose document we summed up (LE MONDE, 5 March), which led to the conclusion that France was the "Red Lantern" of disinterested aid to the Third World, has pointed out to us that "after deducting aid to overseas departments and territories (44 percent of the government's aid), French aid to the Third World drops from 0.59 percent to 0.33 percent of the GNP" (and not 0.50 percent as we erroneously transcribed). "This aid," the movement specifies, "is granted providing that the beneficiary countries purchase their materials or recruit their personnel from the donor country."

5157
CSO: 3100/615

OPPOSITION PARTIES CRITICIZED BY PRIME MINISTER

Athens AKROPOLIS in Greek 19 Mar 81 p 5

[Text] Premier G. Rallis leveled severe criticism at the opposition yesterday evening, in the speech which he delivered in Irakleion to a large popular gathering. Mr Rallis also will be speaking at Agios Nikolaos of Lasithion, at Khania, and at Rethymnon, will visit Siteia and Ierapetra, and on Sunday morning will attend the annual Venezelos memorial services at Akrotirion.

The full text of the speech by Rallis at Irakleion is as follows:

Dear friends,

From your city, the great beating heart of Crete, I offer today my warm and friendly salutations to the proud, freedom-loving, and democratic people of this great island.

But at the same time I also am delivering the message of my optimism and faith in the brilliant, in the very brilliant future of this place. In that future which the government is constructing and whose successful completion is guaranteed by the Cretan people. People who know how to astound the world and history by acts of unsurpassable bravery in war and by magnificently productive works in times of peace.

In that future which is subscribed to by the old but living democratic tradition and the age-long history of struggles for freedom and cultural progress by the people of this forward citadel of the Greek community which is Crete.

Residents of Irakleion,

I was brought to your island not merely by the need to communicate with you. I was brought here not only by the desire and the resolve to discuss with you your problems and your demands.

I was led here also by something deeper, more urgent: My coming was dictated by my fervent desire to render the due esteem of Greece for the first daughter of its civilization, Crete, for its gallant people, and for the greatest and most authentic of its sons, Elevtherios Venizelos.

For that man who stamped his genius on the great destinies of the Greek people and incarnated its most secret dreams for its national and social restoration. For that person who, upon taking over from Kh. Trikoupis the banner of the modernization--that is, the Europeanization--of the political, social, and economic life of our country, made it a banner of national policy.

We old Venizelists and anti-Venizelists find ourselves holding up this banner proudly today and walking hand in hand on the road toward freedom, democracy, and national prosperity.

The national policy of change which Trikoupis and Venizelos conceived of is being served and carried out resolutely and successfully by us today.

Thus, it was natural, it was the only logically, politically and nationally imperative outcome, for a major portion of the Venizelist and more generally liberal political faction, particularly its leading officers and especially Cretans, to go over to and join the New Democracy Party--that is, the only large liberal-radical party.

The Great Party

Because in fact, the New Democracy is the great liberal-radical party which today expresses authentically, more authentically than any other, the traditional but at the same time pioneering ideology of democracy and freedom. And now, dear friends, let us cast a brief glance at the current political, social, and economic geography of our world and at our country's position and prospects within it.

As you know, of course, the entire world is being tested today. It is facing a very difficult--and dangerous, in certain areas--economic and political crisis. Large countries, in the West and in the East, and small countries as well--entirely irrespective of their social system or their political and ideological orientation--find themselves faced with very acute problems of unemployment, inflation, economic stagnation, a shortage of goods, and the accompanying social disturbances.

England as well as Poland, Spain and also Romania, our neighbors Turkey and Italy as well as other CEMA countries such as Hungary--despite, I repeat, their contrary economic and political regimes--are facing the same or similar economic and social problems which weigh heavy on their peoples and governments.

And these great worldwide problems, which are due to many and complex reasons, are being faced by our country as well, although to a smaller degree and extent. And this is natural, because we are not a closed society or a self-sufficient economy. Since after all no economy is self-sufficient. And we cannot be. Just as no country, whatever its economic system, can afford to close its borders to either the benefits or the difficulties which are brought about by the necessity for international cooperation.

We Have Avoided Disorders

However, despite the very adverse international business conditions, on the whole our economy has not suffered disorders and the consequences which a less flexible,

dynamic, and austere economic policy would have allowed to develop. Supposing, of course, that such a policy had not brought about these consequences itself. Not only have we avoided serious economic dangers with our policy, but also we have gone ahead with a social policy of great boldness.

Greece no longer is on the sidelines with respect to the developed countries. On the contrary, it finds itself close to them. And in many areas it is moving in step with them. And this is the work of our own administrations.

I point out these self-evident things because the opposition is concentrating its attacks against the government on precisely these points. And it is trying to persuade the Greek people that the government is to blame even for the earthquakes, as it has not hesitated to allege, unfortunately.

But, dear friends, let us leave the opposition to struggle and worry about where it can find presumptive or certain failures on our part, so that it can exert its wrath against the government and thus, as it believes, get out of its own impasse.

The Next 4 Years as Well

We ourselves are continuing our work of national restoration, and if we are given the vote of the people we will go on with this work in the next 4 years as well. This work which has both a voice and persuasive power, because it alone speaks even to the unbelieving, it alone manages to be accommodating.

For this reason, neither the government nor the New Democracy needs to give an account of itself. But unfortunately, we also have those of bad faith. And the credulous, those who are led astray by the systematic brainwashing which the opposition is giving them.

You yourselves see and confirm every day that its presence as a party is well organized. It is both dogged and ostentatious. With countless expensive branch offices of the party throughout the nation, staffed with professionals in party propaganda.

The government, concerned with its work, does not have time for words. It is not eager--and of course it does not permit itself--to engage in counter-propaganda.

But in its respect for the truth and in execution of its duty toward the people, especially toward the victims of the opposition's propaganda campaign, it will content itself at present, through me, with reiterating and stressing the following:

Democracy Has Been Strengthened

First: The New Democracy Party inherited the national, political, and economic chaos left behind by the collapsing dictatorship. And it built a state which today is the envy of many other countries for its democratic and political stability, for its economic strength, and for its international standing.

Democratic institutions have been consolidated, and democratic processes have been secured--to the degree, of course, that the Greek character permits this.

Economic and social tranquility in our country is unquestionably the present reality.

In no earlier period in the history of the Greek nation has so much democracy existed. And never before has there been more complete freedom for the common citizen. Especially for the citizen who disagrees with or opposes the government. Because, of course, in all regimes the friends of the government feel themselves to be free. But freedom is measured by the opportunities which the opponents of the government have.

And it is preferable for the existence of freedom to be jeopardized--as it is jeopardized in certain cases--by enemies of freedom, than for freedom of thought and speech to be suppressed or to be taken away from citizens of the country. This is our own policy.

Democracy and freedom are among the most valuable assets of mankind. For this reason we should struggle to preserve them. For this reason we should know how to protect them from all their enemies or their so-called defenders.

We, the New Democracy Party, have both laid the foundations for them and are protecting them effectively. Everyone should be certain about this. The government and the New Democracy have both the strength and the resolve to safeguard them.

Faith in the homeland, in democracy and in social justice are the ideals of present-day Greece.

The homeland belongs to all Greeks. Democracy and justice function for the benefit of all Greeks. And democracy and justice are two concepts which are absolutely linked together. The one cannot function without the existence of the other. In tyrannical regimes, instead of justice there is exploitation and arbitrariness. And in regimes where justice does not prevail, democracy is a sham, is false, has legs of straw.

Freedom does not exist when the people are starving. Justice does not exist when the people are not free. And democracy does not exist when freedom and justice are missing.

Today, our State does not divide or categorize Greeks into cliques, groups, classes, or into those who are privileged and those who are not privileged.

Through the economic policy of the administrations of the New Democracy Party, it has lessened, if not entirely eradicated, the old social and economic disparities in the population, has urbanized both the farmer and the laborer, and has achieved a satisfactory redistribution of the national income by its fiscal policy and its policy of very broad social benefits to the economically more disadvantaged classes of our people. And it has achieved this without the social disruptions and dislocations which have put to the test, and continue to test today, other countries which have tried something similar.

The Marxist Left

Nevertheless, the dogmatic Marxist Left, wearing the spectacles of the 19th century, persists in corrupting the young people above all with the notion of

the "class struggle" and in dreaming about and preaching uprisings of proletariats which no longer exist. Untaught by its repeated mistakes, incapable of learning from the scientific condemnation of the Marxist Weltanschauung, it continues to see the "class struggle" where there is not even a suspicion of this. Because the Greek reality of freedom and openness to all aspirations and to all abilities and initiatives, shows that it is not this "class" which determines the economic and social success and advancement of the individual, but his ability, his industriousness, his initiative, and the successful taking advantage of the equal opportunities which the civil state offers to everyone.

Perhaps this Left does not want to see what all Greeks see and realize: That the farmer and the laborer, especially he who freely contracts for his services, the technician and the engineer, can earn--and in fact most of them do earn--more than the civil servant, the professional, the soldier, and even the small businessman.

But we sympathetically understand its blind policy. It is living still in the "age of industrial products," as the veteran leftist politician, Ilias Iliou, called it once.

This Left's confusion is excusable:

The reality of Greek conditions refutes both its faith and its ideology. And this reality devastatingly condemns its policy.

Positive Picture

For the first time, all Greeks in the democratic state which we have constructed have the opportunity freely to express themselves, to act, and to be productive. Certainly there are problems to be faced. Mistakes are made. But we are speaking about the general picture. And this is an absolutely positive one. Let us not turn back to past ages, when half of all Greeks used to regard the other half as traitors, when brother used to hate brother, when in every village--as foreign travelers wrote in the last century--there were two coffee-houses, one for the friends of one party and one for the opposing party.

But let us also reflect briefly on the time during World War II. Most Greeks have lived through this period. Whatever the faction they belonged to, they suffered hardships, and many had casualties among family members, friends, or acquaintances. These were difficult, grievous, bad times for the Greek people. But times which--thank God--we remember like a bad dream. They are aberrations and experiences which we have overcome.

Grave-robbers

The new Greek democracy, the present Greek democracy, has had a bitter experience from those events. And it has made the decision to bury them.

But others, who above all and before all should do likewise for the sake of their own interests, are becoming grave-robbers in taking advantage of the magnanimity of the Greek State. And they devote themselves to reopening the wounds of the Greek memory with "celebrations" and "anniversaries" of events

which were horrible for our homeland. And they are insulting obscenely not only the history but the honor and the magnanimity of the overwhelming majority of our people.

We would like to give them a warning by making this clear:

They should not abuse their democratic freedoms and they should not provoke the awakening of our own memory. Because we do not forget. And we are determined to live in both freedom and democracy. Unfortunately, the historical truth is being violated--especially for the young generation, which has not lived through that period--by the extravagant, unscrupulous, and frantic distorting of the historical events which is being attempted by the Marxist viewpoint. And it is characteristic of the Greek Marxist parties that even though they present policies which are ideologically different, they agree absolutely on this: On misinterpreting the recent Greek past.

Because their objective is a common--and sustained--one: To cut off our young people from their national roots. And to bring about the hatred of the young people for the Greek values, the Greek ideals, and the features of our history. Unscrupulously, they are engaging in the misrepresenting of our national heritage, even that of 1821, in order to distort both the minds and the souls of the youth. To disparage their Greek qualities and to destroy their national self-awareness.

And thus with this satanic and treacherous intellectual kidnapping, these parties hope to convert our young people into janissaries by poisoning them with the opium of the Marxist, so-called scientific interpretation of history.

But we, the New Democracy, do not issue "directives" to our young people. We do not pass out party "lines" to them. For them we are laying the foundations of democracy, which alone guarantees freedom, personal dignity, responsible thinking, and personal status.

Democratic Party

We are the first and only ones--and this is the second point which I want to stress to you--who have put into practice democracy and democratic procedures within our own party as well.

We are the only party in Greek history which has its party representatives chosen by the rank and file and which has an elected leadership. We are the only democratic party which has carried out a number of regional congresses as well as a general congress. Because we believe that democracy in the State means democracy in the parties, democracy in the trade unions, democracy in the associations and the organizations, and democracy, finally, in every manifestation of social life.

Reforms

Third: And we have the reforms, which had to wait for decades to be effected but which have been realized democratically in the last 7 years and without shocks and upheavals, whereas the same reforms in other more developed countries have taken a long time and many struggles to be established.

Educational reform, the establishment and introduction of our Modern Greek language as the language of the nation, and the modernization of our entire

educational system--which has been the dream of many generations--was achieved in our own times.

Fourth: General social insurance for all Greeks, retirement coverage for all citizens, and the 5-day work week constitute only some of the series of measures by us on behalf of the working people--measures which have been realized only in several advanced societies and states.

Fifth: We have ensured the defense of the country to such a degree that even the leader of the official opposition has been forced to admit, in his speech last week in Vouli, that "during the period of the last 7 years, the armed forces have developed a defensive capability and readiness which is excellent. And in fact this is something which we owe, if you like, to your own policy during this period."

To our own policy, namely to the policy of the New Democracy, to the policy of its administrations during the last 7 years.

International Stature

Sixth: We have made Greece an internationally important power. From being a small country geographically, Greece has been transformed today into one of the 10 partners of the third great power in the world--namely, Europe. Greece no longer must wait to be informed about the decisions which the others make for it as well as for other countries. It itself helps to make the decisions.

The European Community has developed very gradually into a mediator and a balancing force between the two superpowers. And with its participation, Greece is contributing to the formation of the common policy of this force.

And Greece is even a country which--via the procedures for decision-making in the Community--is playing a not insignificant role in charting this Community's policy not only in the Balkan area but also in the area of the Middle East. With our accession to the EEC, we also have given to Greece its international standing. This is a dimension which goes beyond its geographic size and its geopolitical significance. We have made Greece that which all Greeks have been dreaming about up to now and which Trikoupis and Venizelos strove for: An important power.

Dear friends, what in fact do our opponents have to offer in place of all these things? An inconsistent, mutually contradictory hodge-podge of positions and oppositions, of slogans and dogmatic pyrotechnics, which add up merely to the spectacle of the confusion in which they find themselves.

Up to now, we ourselves have given tangible evidence of our dedication to democracy, as individuals, as a party, and as a government. And of course our opponents as well have had an opportunity before now: To show just how they govern their own party. And this is enough.

First let them do like us, if they can, if they dare, in our democratic organizing of our party. First let them undertake to practice democratic procedures in

their party organizations, and only after that let them come to speak with us about democracy.

Question for PASOK

This applies especially to the party of the official opposition and the extreme Left, which are exploiting the Greeks' dedication to democracy and are trading politically even on the misfortune brought about by natural disasters.

PASOK [Panhellenic Socialist Movement] says that it regards the KKE as a democratic force. We would like it to answer us on the following. Does it really consider the KKE to be a democratic party? And does it entertain the notion that communist totalitarianism is democracy? And does it not fear that it will make itself a laughing stock if it dares to proclaim that the KKE is a more democratic force than the New Democracy Party?

The KKE maintains that its goals in foreign policy coincide with those of PASOK. Does PASOK agree with this position as well? Does its foreign policy coincide with that of the KKE, yes or no?

The Communist Party maintains that the United States, through its "agents" in Europe, is planning for a nuclear war. Whereas the Eastern-bloc countries are defending themselves against imperialist aggression!!!

Does PASOK really believe that all the imperialist and hegemonistic acts of aggression in the world come only from one side? And as long as it is denouncing institutions and systems of the Western societies, what is its opinion about the institutions and systems of the Eastern-bloc countries and of other countries outside this bloc which it holds up to us at times as models and examples to be copied?

PASOK claims that in the last 50 years the Right has been governing this country. Therefore, it includes also E. Venizelos, Th. Sofoulis, N. Plastiras, G. Papandreou, and K. Karamanlis within this Right. Given this meaning of the word, we are proud that PASOK puts us as well in the camp of the Right.

At the same time, it discards all the democratic struggles and all this political tradition of the country. And it adopts all of the positions of the extreme Left, which even some Greek communists have had to reconsider.

The top-ranking leader of PASOK continues to assert that the Right is the conduit for foreign suzerainty and the guarantor of those foreign interests which have controlled this country for half a century.

Is this his opinion about E. Venizelos, G. Papandreou, and the current president of the Republic?

The esteemed Papandreou has even asserted that the Panhellenic Socialist Movement regards the entry of our country into the EEC as its capitulation to the monopolies, indeed without even the compensation of the safeguarding of our democratic regime.

In short, he has presented this accession as an actual disaster for our country.

But just a few days ago, the five European-community representatives from PASOK co-signed in the European Parliament the proposal of its Socialist Group on hastening Spain's admission to the EEC, so that it "can have the economic, social, and political benefits which accession to the Community entails, and so that its democratic regime can be protected."

Yesterday they proclaimed that our country's accession to the EEC is a national disaster. Today they are co-signatories for the admission of Spain to the Community, so that Spain can participate in the "economic and social benefits of the EEC and its democratic regime can be protected." Further commentary is superfluous.

PASOK asserts that it is waging a struggle against the "Right"--that is, against those who belong to the New Democracy Party.

And we ask: Only against the Right? Not against the other parties as well? Not against the KKE also? Why? These people--that is, the KKE--are democratic? And we are not?

But we will not dwell more on this subject. The confusion PASOK is in is total. And it is demonstrated further by the following fact: That whereas it started out--as it itself used to maintain--to give permanent solutions to all of the country's problems and has begun to announce 5-year, 4-year, and other programs, now it limits itself to the so-called program for the first 100 days.

And what is this program? Its leader has proclaimed what it is: Its first step will be to make changes at the command levels in the security forces and in the army. Everybody can understand what this means.

However, we will ask it: You are promising--and threatening--that you will make changes in the administration. But we also are making changes. Those changes which the Constitution dictates.

What changes do you yourselves have in mind? Surely not those which we are making ourselves. That is, will you be making sweeping changes? Will you get rid of all the public employees? Why this rage of yours against the public administration?

You further promised--and threatened--that you will make far-reaching changes in the army as well. But just recently you spoke highly of it. You admitted that it has "excellent defensive capability and readiness."

Now, then, why are you to date dissatisfied about sweeping changes in the army?

Men and women of Athens:

Let it have the opposition to thrash about among its viewpoints and contradictions. The present-day democratic process is effecting a tremendous leap in the direction of progress. In spite of all the problems and all the conflicts,

Our objective is to continue and complete this democratic change. This change in the forward direction. Because there are also changes which bring reversals, which lead a people to grievous tribulations, sometimes without any way to return.

We ourselves will complete this change, this democratic change, and we Greeks ourselves will safeguard it. It depends on us. Let us not forget that freedom is difficult to win but easy to lose.

The New Democracy Party is not merely a party. It is the country's great liberal-radical wing. Its democratic orientation remains firm.

The resolve of the government and the party is to protect and promote the interests of Crete and its people. All the great issues of your island are also issues for all of Greece.

Up to now, your problems have been handled with understanding, good will, and effectiveness. Cretan agricultural products have been supported as never before in the past. The public investments programs have known unprecedented heights which were unthinkable formerly.

Within the framework of the EEC, Crete is being called on today to play a new role, a leading role. Because now Greece is becoming the bridge between Europe and the Middle East and Africa. Crete is positioned at the central juncture here.

The economic development of Crete is closely linked with Greece's accession to the European Community. Crete is one of those privileged areas in the country which will receive immediately the benefits from our European-community accession. And on this occasion, as I begin today my tour through Crete, I would like to assure you that both as premier and as chairman of the New Democracy Party I will take a personal interest in each of Crete's problems.

Steadfast Policy

Men and women of Crete:

With my criterion being the steadfast policy which the founder of the New Democracy Party charted--and which the party has adopted completely--for the enlargement and unification of all democratic forces which are active over the entire spectrum between fascism and Marxist socialism, I appeal today to all Cretans and summon them to the struggle for the strengthening of democracy and the ensuring of economic stability and social tranquility. And this can be achieved only by the victory of our great democratic faction in the upcoming elections.

I am certain that you will be in the vanguard at this great victory of democracy.

I thank you.

12114
CSO: 4908

VAN AGT BEGINS CAMPAIGN, SETS ISSUES

Rotterdam NRC HANDELSBLAD in Dutch 13 Apr 81 p 3

[Text] Utrecht, 13 Apr--The question of private initiative will be a weighty issue in the coming election campaign. Besides that, there are great differences between the CDA on the one hand and the PvdA and VVD on the other concerning how to manage the replacement of nuclear weapons.

A.A.M. Van Agt, the CDA standard-bearer, opened the election campaign in Utrecht Saturday [11 April] by putting those accents on the issues. On the point of nuclear weapons even the coalition partner VVD [People's Party for Freedom and Democracy] got something to answer for: that party decides on the question "as easily and apparently unconcernedly" as if it were a matter of where to pitch camping tents, according to the standard-bearer.

Van Agt pointed out that the CDA [Christian Democratic Appeal] approaches the question of whether or not to station cruise rockets on Dutch soil carefully and cautiously. He called the VVD's position disappointing. CDA chairman Bukman also dissociated himself from that position. He said he had the impression that the VVD was more occupied with selling the cabinet policy than its own program. The PvdA [Labor Party] position, on the other hand, leads to a paper NATO membership, Bukman said.

The CDA will have nothing to do with any yielding in the struggle to defend private initiative in the field, e.g., of private education and health care on a denominational basis. Only with the CDA, it claims, would that be in safe hands.

In this connection Van Agt pointed to the problems aggravated just last week in the area of private initiative in the general law on specific welfare, where the PvdA and the majority of the VVD were energetically "clearing away" this private initiative. According to Van Agt the attempt failed and the conflict was resolved "for the best." Private initiative maintained its own, well-marked place, Van Agt said.

Advertisement

The CDA standard-bearer called the accusations in a PvdA advertisement concerning the government's attacks on the lowest-paid downright shameful. "There is not a shred of truth in that story," according to Van Agt. The advertisement, he said, breathed the spirit of "keep what you've got."

It is true that considerable sacrifices are being demanded, but in terms of money the higher incomes are paying much more than the lowest-paid. The PvdA advertisement is to be refuted on other points as well, Van Agt said. That applies particularly, he said, to the points on natural gas prices, rents, and socioeconomic policy. The advertisement is "too transparent to lead to any gain in the ballot-boxes," the standard-bearer said.

8815
CSO: 3103

PACIFIST SOCIALIST PARTY WANTS COMMUNISTS IN COALITION

Rotterdam NRC HANDELSBLAD in Dutch 9 Apr 81 p 3

[Text] The Hague, 9 Apr--The PSP [Pacifist Socialist Party] is demanding that the Labor Party, in case of formation of a leftist cabinet after the elections, draw the CPN [Communist Party of the Netherlands] into the cabinet formation discussions. The party has reservations, however, about the matter of collaboration with D'66 [Democrats '66] in a leftist combination.

At the start of the election campaign, standard-bearer F. van der Spek said yesterday he was afraid D'66, among "the parties that call themselves progressive," would present demands that the PSP would be unable to accept. He foresees that D'66 will not pursue a policy that really renews the partnership.

For the PSP the involvement of the CPN in any coalition discussions is a firm condition. Van der Spek called it unacceptable that the PvdA rejects the CPN as a full partner and at the same time asks that the CPN lend support to a possible leftist cabinet.

Participation of the PSP in the formation of a possible leftist cabinet is dependent on strict conditions. The PSP party congress determined last November that the party is prepared to take part on the condition that its own program can be realized to a significant extent.

Standard bearer Van der Spek repeated yesterday that in the event that it does not participate in a leftist coalition the PSP is prepared to support a leftist cabinet. In that support, however, the party will continue as before to be guided by its own program, and will reject things that come into conflict with it.

In the coming elections to the Second Chamber the PSP expects to get four seats. The party now has one seat, in the person of standard-bearer Van der Spek. The party will campaign on a platform that is directed toward socialization of the economy (production in public hands), income leveling, and employment for all groups of society. In the matter of defense it wants to demilitarize in all branches.

[illegible]

RIGHTIST ELEMENTS BLAMED FOR SUAREZ OUSTER, CALVO SOTELO VICTORY

Madrid LA CALLE in Spanish 5-9 Feb 81 pp 12-13

[Article by Cesar Alonso de los Rios]

[Excerpt] Suarez came to power in a mysterious operation. He is leaving by another. But what was "normal" 5 years ago, now, under democracy, is inadmissible. Again rumors are circulating about the important matter of the resignation of a president of the government and chairman of a party.

Suarez was brought in by a clever, very careful group of bankers, politicians and marketing specialists. He is being forced to resign by a group of politicians (of his own party), bankers, bishops and, perhaps, military officers. In the era of Reagan and Wojtyla, the Spanish right has said enough: that's it, we have come to the end. They have been gaining ground in Suarez's own party; his critics: a mixture of Francoite Christian Democrats (Lavilla, Alvarez, Herrero de Minon, Oscar Alzaga) and 19th-Century-type liberals (Camunas, Fontan, DIARIO 16). The bishops--with a new nuncio--are mad at him because of Fernandez Ordonez' divorce law; the bankers want a man they can trust completely (like Calvo Sotelo, for example). The military officers--who are many and well qualified--wanted him to resign and have ridiculed the king because of the president. The officers--according to rumors--opposed the king's visit to the Basque country because they feared some untoward event. Finally, Martin Villa (when and to whom was this gentleman ever faithful?) withdrew his suppport and asked Suarez to resign. The head of the SEU [Spanish University Trade Union] in Madrid today controls governors, police, officials and several hundred UCD [Democratic Center Union] congressional representatives. As if that were not enough, there is also an air controllers' strike, the imminence of which was very well known to Transportation Minister Jose Luis Alvarez, and this is ruining the congress which was to be held in Palma de Mallorca. Suarez was not "a mistake, a great mistake," as Ricardo de la Cierva wrote in EL PAIS right after the president was named in 1976. Suarez was simply a saleable image, because he was of the king's generation, he knew the political apparatus, he had been a Falangist and was open to democracy. But more than being just an image, Suarez demonstrated that he was politically audacious. He legalized the parties and the union organizations, initiated a period of representative government and began decentralization of state government. He left by the wayside certain politicians--like Osorio--who would have liked to institute more advanced reforms than that of Arias-Fraga. He ran right over

them. He won two elections for the UCD and remained in power for 5 years. The churchmen, the Lavillas and the Herrero de Minons began to worry that the man they had chosen to implement the democracy was going to last too long. And they were frightened when, during the last ministerial shake up, most of them were edged out. We have run headlong into the church.

Suarez has represented the UCD left, to the point of incorporating into the government the entire social democratic sector, with which the PSOE [Spanish Socialist Workers Party] would have liked to make a deal. He gave the church the Centers Statute, but he wanted to push for divorce and university autonomy. Too much for the Spanish right--i.e., the center.

That was no "error," and it will not go down in history as such. But he did make many mistakes--his governments and he. Torture is being used again. Unemployment has passed the 2-million mark. He did not know how to deal with terrorism, one version of which is rooted in the state itself. In the last part of his administration civil liberties were curtailed. Television has been a source of corruption and misinformation. Public administration is too expensive and inefficient a giant for society. As a democratic politician, he himself has sometimes behaved shamefully, as for example at the last investiture session, or his way of squaring himself away with public opinion, to the point where his appearances before Parliament at times--as with the motion for censure or confidence--gave the impression of being traumatic for him.

In any case, Suarez has given of himself more than this Spanish bourgeoisie, which is incapable of completing any democratic process and fearful of bringing the constitutional process to its culmination. Once more the Spanish right has failed before the challenge of history. Suarez gave it a party of parties, but in this group, personal matters have taken precedence over responsibility. Tired of close calls, he is leaving them now in a state of confusion, for the most part. Let the Camunas and the Herrero de Minons carry on alone. The UCD has been set adrift. If they succumb to the temptation of letting Fraga in one door, Fernandez Ordonez (he has said so himself) will leave by the other. Suarez's resignation affects the chairmanship of the UCD, which makes this not only a government, but a party crisis now. The UCD will have to find itself another saleable image. Calvo Sotelo does not have much to offer. What is the future of this party, the orphan child of Suarez? Today the UCD is not prepared to go to any early elections. Therefore it is not calling for them yet, because they might mean another trauma for the country. In the tense night of Suarez's resignation, some "suicidal" members of the UCD executive proposed early elections as a solution. As might be expected, the proposal did not prosper. This party has enough to do trying to recover from its successive upsets in the Basque Country, Catalonia and Andalusia, with a view to general elections in 1983.

DIARIO 16 titled its editorial referring to Suarez's resignation, "A Door Is Opened." It has been, rather, a door that has slammed, and, as with doorjambs, someone might get his nose caught in it. Finally the UCD pygmies have gotten rid of Suarez, something which should not matter to the left, were it not that the forces that ousted Suarez were of the right. Because the Calvo Sotelo solution does come from the powerful right, perhaps with temptations similar to the Sa

Carneiro situation. Time will tell. Of course, the boy from Cebreros had less "class" than Calvo Sotelo, that is, fewer councils of administration and fewer family connections. Biographies of Suarez have said that he had a little-repressed aversion to bankers. Calvo Sotelo had and has a "private" friendship with them. He is their man. Suarez' men, on the other hand, were his relative Lito, Graullera, a few "plumbers" and a smart lad from El Espinar, the son of a bar owner. Now the time has come for first names and friendly relations. This domestic reflection of class struggle would be nothing more than anecdotal if, behind the big operation of unseating Suarez, we did not see the traditional Spanish right, fed up with democracy. And this entire operation cannot make any democrat, much less any leftist, happy, because in itself--not just strictly Suarez's resignation--with all the preparations, it is worthy of the worst authoritarian style, worthy of a closed society, of a political class which is bent on operating without even minimal openness.

8735
CSO: 3110

FIRST FINNISH-ASSEMBLED HAWK TRAINER MAKES MAIDEN FLIGHT

Helsinki UUSI SUOMI in Finnish 28 Jan 81 p 32

[Article: "Prototype Soon to the Air Force: English Flyer Tests HAWK"]

[Text] The first Hawk trainer produced in Finland is within one test flight of being ready for delivery to Finland's Air Force. The delivery test flights are being made in Finland by the factory's test pilot, Tim Hawkins [in boldface].

Accompanying him on the flights has been first lieutenant Pekka Tuunanen of the test-flight squadron, who says that the flights have gone well.

"The first flight, which lasted one and a quarter hours, was already made on Wednesday, 21 January. On Monday we flew almost an hour, and the last short flight is planned for Wednesday, weather permitting."

According to first lieutenant Tuunanen, Valmet [company] has succeeded well with its plane. The first one is a very good example.

"If anything of note has appeared, it has been connected mainly with the operation of the systems, but there have been no major defects," said Tuunanen.

He said that Tim Hawkins also considers the plane to be very successful. Before joining the factory's staff, Hawkins was a test pilot for England's Royal Air Force. Hawkins knows the Hawk plans perhaps better than anyone. Altogether he has probably flown Hawks about a thousand hours already.

Almost everything in the Finnish Hawk prototype has been tested. The factory has made the test flight plans which are being used in the factory's acceptance test flights. Valmet will deliver the planes it has produced first to British Aerospace, and only after that will the factory deliver them to the Air Force. Later, the delivery flights will be omitted, and the Air Force will make their own acceptance flights.

Acceptance flights are the means of verifying that the planes are in the condition specified by the Air Force.

9611
CSO: 3107/53

BRIEFS

CHANGE SEEN FOR RECRUITS--It is planned that by the end of the decade the starting age for military service will be reduced by one year. The change will be introduced in stages, so that for a few years both 20 and 19 year olds will be inducted. An attempt is being made through the age reduction to even out the shortages caused by diminishing age groups. The matter has been studied by the general staff's conscription office, even though practical steps for implementation will not be taken after the middle of the decade. Before that, a change in the conscription law will be needed. The chief of the conscription office, lieutenant colonel Martti Olantera, estimates that the proposal for reducing the age of induction will be made to the Ministry of Defense by next year at the latest. According to projections by the Statistical Center, there will be a record low number of recruits in 1993. The age groups have been decreasing in size since the peaks of the 1960's, even though in recent years a leveling off has been observed. Every year about 36,000 youths begin military service. [Text] [Helsinki UUSI SUOMI 10 Feb 81 p 9] 9611

CSO: 3107/53

REHABILITATION OF DISABLED PLANNED

Nicosia CYPRUS MAIL in English 2 Apr 81 p 1

[Text] "Rehabilitation of the disabled pays off", Dr Antonis Protopapas, Senior Employment Officer of the Ministry of Labour and chairman of the National Committee for the Disabled said.

Dr Protopapas was speaking at a Rotary Club gathering on the "International Year for the Disabled".

The Cyprus government has endorsed the objectives of the UN General Assembly resolution proclaiming 1981 as the year for the disabled persons "full participation and equality", and has set up a national committee to see about organisation and implementation.

This committee is answerable to a Committee of Ministers comprising the Ministers of Labour, Education, Justice, Finance and the Deputy Minister of the Interior.

Dr Protopapas mentioned that some 450 million people on the earth are physically or mentally disabled and if present trends continue, and unless resolute remedical action is taken, the number of handicapped people seeking help might swell to some 800 million by the turn of the century. [as published]

According to a survey by the Statistics and Research Department of the Ministry of Finance, back in 1976 the number of disabled persons in Cyprus was 7,647 out of whom 4,086 were in towns and 3,561 in the countryside.

A breakdown showed that 458 were suffering from a disability of upper ends, 1,113 of the lower ends, 720 both lower and upper ends, 621 were deaf, 841 blind, 37 had deformities of face, 3,282 suffered from various ailments (epilepsy, Parkinson, asthma, polio, anaemia, diabetis, arthritis, heart trouble and 575 various other disabilities. [as published]

Impressive

The figures are not considered realistic enough and, anyway, it appears there should be a need for another survey to be made for up to date information.

Explaining his point that rehabilitation of the disabled pays off, Dr. Protopapas quoted the US Department of Labour statistics which show that for every 1,000

dollars invested in the rehabilitation of a disabled person 35,000 dollars will be generated by that person's work during his life-time.

Even more impressive, the speaker said, it is estimated that the employment of 100,000 disabled persons in the US adds at least 500 million dollars to the Gross National Product (GNP) and disabled persons who are economically independent do not burden community public assistance funds.

As part of the International Year for the Disabled the Cyprus government has decided to strengthen and improve services for the prevention of disability and services for rehabilitation, review and improve existing relevant legislation with the purpose of protecting the basic human rights of the disabled and undertake measures for full integration of disabled persons in the social, economic, political and cultural life.

It will also see to increase the opportunities for training and employment and encourage and recognise publicly outstanding services offered to disabled persons.

Dr Protopapas referred to the existence and operation of vocational training for the disabled like the St. Barnabas School for the Blind, the Deaf School, the Centre for the Rehabilitation of Disabled, the Prosthetics and Orthodics Centre set up in 1977, the school for trainable mentally retarded children, the "Nea Eleousa" foundation, the "Theotokos" house in Limassol for retarded children, the St. Stephan institution, the psychiatric institutions etc.

Dr Protopapas said that the most important legislation for disabled in Cyprus is the Social Insurance law under which persons with permanent incapacity are receiving an invalidity pension. The same law offers benefits in case of partial incapacity because of an accident.

Transport

A law offers transport allowances to disabled persons to enable them to go to and from their work and another law for Public Assistance and Services enables the Director of Social and Welfare services to offer disabled persons over 18 free accommodation.

A law of Special Education enables the Minister of Education to offer to "trainable" children up to the age of 18 special education.

"The Cyprus Government is working conscientiously towards fulfilling these obligations emanating out of the European Social charter", Dr Protopapas said.

CSO: 4920

DATA BANK TAKING SHAPE AT FOREIGN AFFAIRS MINISTRY

Paris ZERO UN INFORMATIQUE HEBDO in French 23 Mar 81 p 34

[Article by Luc Fayard: "A Data Bank in the Foreign Affairs Ministry--Kleber in Pursuit of the Japanese Ministry of International Trade and Industry"]

> [Text] The fascination with things Japanese has taken hold not only of French manufacturers. It has just spread to the Ministry of Foreign Affairs which for a long time has been dreaming of the MITI [Japanese Ministry of International Trade and Industry] and its PPIS (Policy Planning Information System, consisting of 20 interconnected data banks).

Adopted by the cabinet on 13 February 1980, the establishment of a data bank for scientific and technological missions (40,000 per year) and exchange programs with foreign countries is now taking shape. Who are the Soviet information researchers who were met in 1980 and who work in laboratories equipped with American, French, or Japanese equipment? Here is the type of question which Kleber, the nickname for this new data bank, should be able to answer. Under the direction of Raymond Micoulaut, it deals for the time being only with Brazil and the USSR (in all disciplines) and earth sciences, in countries where the Geological and Mining Research Center is operating. Once fully established, it should be accessible to manufacturers, except for information elements considered secret or confidential.

The project, supported by MIDIST, was financed during its experimental phase by the Information Science Mission (to the tune of F300,000, relatively modest when compared to the ultimate goal). The feasibility study was conducted by Priorga (GIE, CNRS [National Center for Scientific Research]-Sligos). Kleber "runs" on a Realite 2000 installed in the premises of Intertechnique and, in its pilot version, makes it possible at the same time to get fixed, documentary, and on-demand data from a thesaurus of key words previously established. The interrogation language, specially created for this occasion on the basis of Mistral procedures, also makes it possible to perform a certain number of simple calculations on predefined paragraphs. Example: What is the total number of mission days put in during 1978 and 1979 in the field of endocrinology and what was their travel cost?

There is only one minor unforeseen aspect to this tremendous effort: For the time being, no rate schedule system has been provided.

6058
CSO: 2100

RELATIONS WITH ARAB COUNTRIES DESCRIBED AS UNCHANGED

Athens ATHENS NEWS in English 4 Apr 81 p 1

[Text] Greek-Arab relations have not been disturbed in any way, Saudi Ambassador Abdallah Al Malhouk said yesterday in an interview to the Saudi newspaper "Okaz."

He added that Foreign Minister Mitsotakis gave Arab Ambassadors who visited him last week firm assurances that Greek policy towards the Arab world remains unchanged.

The Saudi Ambassador described the Arab Ambassador's meeting with Mr Mitsotakis as "very cordial," and said it clearly satisfied all Ambassadors, who pledged afterwards to continue to work for the development of their countries' ties with Greece.

Mr Al Malhouk said, answering a question by the interviewer, that Mr Mitsotakis assured him and the other Arab Ambassadors that Agriculture Minister Kanellopoulos' recent trip to Israel had no political significance, and was simply part of Greek-Israeli cooperation for technological development in the agricultural sector. Nor was this, he added, the first visit to Israel by a Greek Cabinet Member.

No Chance

There has been no change in Greece's policy on the Palestinian problem, Mr Al Manhouk said answering another question. Greece always supports the demand for Israel's withdrawal from all territory occupied during the 1967 war, and upholds "the Palestinian people's right to independence." Mr Mitsotakis, the Saudi Envoy said, was very categorical on this point, and clearly stated that Greece does not recognize the State of Israel.

Asked whether Greece recognizes the Palestine Liberation Organization (PLO) as the sole representative of the Palestinian people, Mr Al Manhouk said the Greek government has officially recognized the PLO and that a bureau of this organization is already operating in Athens under strong diplomatic guarantees.

He described Greek-Saudi relations as very good and in the mutual interests of the two countries. "We shall continue to work together on all issues, the Saudi Ambassador said.

Greece to EEC

Asked about the consequences of Greece's accession to the EEC to Arab relations, Mr Al Malhouk expressed his belief that Greece's entry to the Community would mark "the beginning of a bridge between the Arab World and European countries," as there are traditional ties of friendship between Greece and the Arab world. Besides, he said, this would serve Greece's long-term interest in the Arab world.

In the words of Mr Mitsotakis to the Arab Ambassadors, as in the interview by Mr Al Malhouk, "Greece's entry to the EEC constitutes a capital both for the countries of the European Community, in their relations with the Arab countries, and for the Arabs in their relations with the EEC."

CSO: 4920

BRIEFS

ARAB ENVOYS HONOR PRIME MINISTER--The ambassadors of the Arab countries gave a lunch in honor of Prime Minister Rallis last night at Grande Bretagne Hotel in Athens. Present at the lunch were Alternate Minister of Coordination, Mr Paleocrassas, Foreign Minister Mtisotakis, the Secretary-General at the Foreign Ministry, Ambassador Roussos and the President of the Parliamentary Committee for Greek-Arab Friendship, Mr Vardinoyannis. In a short speech the Prime Minister said that the dinner constituted not only an example of Greek-Arab friendship but also an expression of close personal relations. Mr Rallis said apart from the friendship which already exists between Greece and the Arab countries, Greece wished to maintain and develop this. As the Foreign Minister had reassured them a few days ago, continued Mr Rallis, Greece's policy in the Middle East remained unchanged. Greece's friendly stance towards the Arabs was not the result of pressure but a matter of principle. The friendship between Greece and the Arabs, which was rooted in the past, had not need of confirmation for Greece was strong in her principles and friendships. Mr Rallis stressed concluding his speech, that it was Greece's aim within the EEC to promote cooperation between Europe and the Arab world. [Text] [Athens ATHENS NEWS in English 7 Apr 81 p 4]

PROTOCOL WITH ARABS--A protocol to create a Greek-Arab Chamber of Commerce was signed yesterday in the Ministry of Commerce. Signatories were Greece's Minister of Commerce, Mr Kalantzakos, and the Ambassadors of Libya, Morocco, Saudi Arabia, Algeria, Syria, Jordan and the diplomatic representative of the Palestine Liberation Organization. During the ceremony, Mr Kalantzakos and the Arab ambassadors stressed the beneficial effects the Greek-Arab Chamber will have in the further development of economic relations between Greece and the Arab World. [Text] [Athens ATHENS NEWS in English 10 Apr 81 p 12]

CSO: 4920 END

END OF FICHE DATE FILMED

4/29/83